

ESSB 6444 - H AMD 1743
By Representative Linville

ADOPTED AND ENGROSSED 4/12/10

1 Strike everything after the enacting clause and insert the
2 following:

3 "PART I
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2009 c 564 s 101 (uncodified) is amended to read as
6 follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund--State Appropriation (FY 2010)	((\$33,500,000))
9		<u>\$33,505,000</u>
10	General Fund--State Appropriation (FY 2011)	((\$33,379,000))
11		<u>\$32,146,000</u>
12	TOTAL APPROPRIATION	((\$66,879,000))
13		<u>\$65,651,000</u>

14 **Sec. 102.** 2009 c 564 s 102 (uncodified) is amended to read as
15 follows:

16 **FOR THE SENATE**

17	General Fund--State Appropriation (FY 2010)	((\$24,957,000))
18		<u>\$24,960,000</u>
19	General Fund--State Appropriation (FY 2011)	((\$27,182,000))
20		<u>\$25,631,000</u>
21	TOTAL APPROPRIATION	((\$52,139,000))
22		<u>\$50,591,000</u>

23 **Sec. 103.** 2009 c 564 s 103 (uncodified) is amended to read as
24 follows:

25 **FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

26	General Fund--State Appropriation (FY 2010)	\$2,874,000
27	General Fund--State Appropriation (FY 2011)	((\$2,884,000))

1 \$3,152,000
2 TOTAL APPROPRIATION ((~~\$5,758,000~~))
3 \$6,026,000

4 The appropriations in this section are subject to the following
5 conditions and limitations:

6 (1) Notwithstanding the provisions of this section, the joint
7 legislative audit and review committee may adjust the due dates for
8 projects included on the committee's 2009-11 work plan as necessary to
9 efficiently manage workload.

10 (2) Within the amounts appropriated in this section, the committee
11 shall conduct a review of the effect of risk management practices on
12 tort payouts. This review shall include an analysis of the state's
13 laws, policies, procedures, and practices as they relate to the conduct
14 of post-incident reviews and the impact of such reviews on the state's
15 conduct and liability.

16 (3) Within the amounts appropriated in this section, the committee
17 shall conduct a review of the state's workplace safety and health
18 program. The review shall examine workplace safety inspection,
19 enforcement, training, and outreach efforts compared to other states
20 and federal programs; analyze workplace injury and illness rates and
21 trends in Washington; identify factors that may influence workplace
22 safety and health; and identify practices that may improve workplace
23 safety and health and/or impact insurance costs.

24 (4) Within the amounts appropriated in this section, the committee
25 shall prepare an evaluation of the implementation of legislation
26 designed to improve communication, collaboration, and expedited
27 medicaid attainment with regard to persons released from confinement
28 who have mental health or chemical dependency disorders. The review
29 shall evaluate the implementation of: (a) Chapter 166, Laws of 2004
30 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of 2005
31 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005
32 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB
33 1088). The departments of corrections and social and health services,
34 the administrative office of the courts, institutions for mental
35 disease, city and county jails, city and county courts, county clerks,
36 and mental health and chemical dependency treatment providers shall
37 provide the committee with information necessary for the study.

1 (5) Within the amount appropriated in this section, the joint
2 legislative audit and review committee shall conduct a review of the
3 state's recreational boating programs. This review shall include
4 examination of the following:

5 (a) Revenue sources for state recreational boating programs;

6 (b) Expenditures for state boating programs;

7 (c) Methods of administrating state recreational boating programs,
8 including the roles of both state and local government entities; and

9 (d) Approaches other states have taken to funding and administering
10 their recreational boating programs.

11 The committee shall complete the review by October 31, 2010.

12 (~~(7)~~) (6) Within the amount appropriated in this section, the
13 joint legislative audit and review committee shall examine the
14 operations of employment and day services as provided by the department
15 of social and health services, division of developmental disabilities
16 and administered by the counties. The examination shall include a
17 thorough review of the contracts for all services including, but not
18 limited to, employment services, day services, child development
19 services and other uses of state dollars for county administration of
20 services to the developmentally disabled. In its final report, due to
21 the legislature by September 1, 2010, the joint legislative audit and
22 review committee shall provide: A description of how funds are used
23 and the rates paid to vendors, and a recommendation on best practices
24 the agency may use for the development of a consistent, outcome-based
25 contract for services provided under contract with the counties.

26 (~~(8)~~) (7) Within the amount appropriated in this section, the
27 joint legislative audit and review committee shall conduct a study of
28 the relationship between the cost of school districts and their
29 enrollment size. The study shall be completed by June 2010 and shall
30 include:

31 (a) An analysis of how categories of costs vary related to size,
32 including but not limited to facility costs, transportation costs,
33 educational costs, and administrative costs;

34 (b) A review of other factors that may impact costs, such as
35 revenues available from local levies and other sources, geographic
36 dispersion, demographics, level of services received from educational
37 service districts, and whether districts operate a high school;

1 (c) Case studies on the change in cost patterns occurring after
2 school district consolidations and for school districts operating under
3 state oversight condition specified in RCW 28A.505.110; and

4 (d) A review of available research on nonfinancial benefits and
5 impacts associated with school and school district size.

6 (8) \$200,000 of the general fund--state appropriation for fiscal
7 year 2011 is provided for the committee to contract with a consultant
8 specializing in medicaid programs nationwide to review Washington
9 state's medicaid program and report on cost containment strategies for
10 the 2011-13 biennial budget. The report is due to the fiscal
11 committees of the legislature by June 1, 2011.

12 (9) \$50,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for the joint legislative audit and review
14 committee to complete a report that includes the following: (a) An
15 analysis of the availability within eastern Washington of helicopters
16 that are privately owned or owned by nonstate governmental entities
17 that are sufficiently outfitted to participate in wildfire suppression
18 efforts of the department of natural resources; (b) a comparison of the
19 costs to the department of natural resources for maintaining the
20 existing helicopter fleet versus entering into exclusive use contracts
21 with the helicopters noted in (a) of this subsection; and (c) an
22 analysis that compares the use and funding of helicopters utilized for
23 wildfire suppression in the states of California, Oregon, Idaho, and
24 Montana. The committee shall submit the report to the appropriate
25 fiscal committees of the legislature and the office of financial
26 management no later than December 1, 2010.

27 (10)(a) The task force for reform of executive and legislative
28 procedures dealing with tax preferences is hereby established. The
29 task force must:

30 (i) Review current executive and legislative budget and policy
31 practices and procedures associated with the recommendation,
32 development, and consideration of tax preferences, assess the
33 effectiveness of budgeting requirements and practices, the general
34 rigor of justifications and evaluations typically provided during
35 legislative consideration of tax preferences, and the role and value of
36 methodologies currently used to measure the public benefits and costs,
37 including opportunity costs, of tax preferences, as defined in RCW
38 43.136.021.

1 (ii) Consider but not be limited to, the factors listed in RCW
2 43.136.055.

3 (b) The task force may make recommendations to improve the
4 effectiveness of the review process conducted by the citizen commission
5 on performance measurement of tax preferences process as described in
6 chapter 43.136 RCW. The task force may also recommend changes or
7 improvements in the manner in which both the executive branch and
8 legislative branch of state government address tax preferences
9 generally, including those in effect as well as those that may be
10 hereafter proposed, in order to protect the public interest and assure
11 transparency, fairness, and equity in the state tax code.

12 (c) The task force may recommend structural or procedural changes
13 that it feels will enhance both executive and legislative procedures
14 and ensure consistent and rigorous examination of such preferences.

15 (d) The task force must report its recommendations to the governor
16 and legislative fiscal committees by November 15, 2010.

17 (e) The task force has eleven voting members as follows:

18 (i) One member is the state treasurer;

19 (ii) One member is the chair of the joint legislative audit and
20 review committee;

21 (iii) One member is the director of financial management;

22 (iv) A member, four in all, of each of the two largest caucuses of
23 the senate and the two largest caucuses of the house of
24 representatives, appointed by the chair of each caucus; and

25 (v) An appointee who is not a legislator, four in all, of each of
26 the two largest caucuses of the senate and the two largest caucuses of
27 the house of representatives, appointed by the chair of each caucus.

28 (f) Persons appointed by the caucus chairs under (e)(v) of this
29 subsection should be individuals who have a basic understanding of
30 state tax policy, government operations, and public services.

31 (g) The task force must elect a chair from among its members.
32 Decisions of the task force must be made using the sufficient consensus
33 model. For the purposes of this subsection, "sufficient consensus"
34 means the point at which the substantial majority of the commission
35 favors taking a particular action. The chair may determine when a vote
36 must be taken. The task force must allow a minority report to be
37 included with a decision of the task force if requested by a member of
38 the task force.

1 (1) \$25,000 of the department of retirement systems--state
2 appropriation is provided solely for the continued study of local
3 government liabilities for postretirement medical benefits for members
4 of plan 1 of the law enforcement officers' and firefighters' retirement
5 system.

6 (2) \$51,000 of the department of retirement systems expense
7 account--state appropriation is provided solely for the state actuary
8 to contract with the Washington state institute for public policy for
9 a study of the disability benefits provided to the plan 2 and plan 3
10 members of the public employees' retirement system, the teachers'
11 retirement system, and the school employees' retirement system. Among
12 the options the institute shall examine include statutory changes to
13 the retirement systems and insurance products. The institute shall
14 report its findings and recommendations to the select committee on
15 pension policy by November 1, 2009.

16 (3) \$30,000 of the department of retirement systems expense
17 account--state appropriation is provided solely for the state actuary
18 to contract with the Washington state institute for public policy to
19 continue the study of long-term disability benefits for public
20 employees as authorized by subsection (2) of this section during the
21 2010 legislative interim. The purpose of the study is to develop the
22 options identified in the 2009 legislative interim disability benefit
23 study, including options related to the public employees' benefits
24 board programs, other long-term disability insurance programs, and
25 public employee retirement system benefits. The institute shall report
26 no later than November 17, 2010, new findings and any additional
27 recommendations on the options to the select committee on pension
28 policy, the senate committee on ways and means, and the house committee
29 on ways and means. The Washington state institute for public policy
30 shall work with the health care authority to coordinate analysis and
31 recommendations with its contracted disability vendor and appropriate
32 stakeholders.

33 (4) \$175,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for the office of the state actuary to
35 conduct an independent assessment of alternatives for assuring the
36 long-term financial solvency of the guaranteed education tuition
37 program including suspension of the program. In conducting this
38 review, the office may contract for assistance, and shall consult with

1 the higher education coordinating board, the operating budget
2 committees of the legislature, the office of financial management, and
3 the state's public colleges and universities. The office shall report
4 findings, an assessment of the major alternatives, and suggested
5 actions to the governor and to the relevant legislative committees by
6 November 15, 2009.

7 **Sec. 106.** 2009 c 564 s 106 (uncodified) is amended to read as
8 follows:

9 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

10	General Fund--State Appropriation (FY 2010)	((\$8,651,000))
11		<u>\$8,652,000</u>
12	General Fund--State Appropriation (FY 2011)	((\$8,519,000))
13		<u>\$8,506,000</u>
14	TOTAL APPROPRIATION	((\$17,170,000))
15		<u>\$17,158,000</u>

16 **Sec. 107.** 2009 c 564 s 107 (uncodified) is amended to read as
17 follows:

18 **FOR THE STATUTE LAW COMMITTEE**

19	General Fund--State Appropriation (FY 2010)	((\$4,610,000))
20		<u>\$4,611,000</u>
21	General Fund--State Appropriation (FY 2011)	((\$5,029,000))
22		<u>\$4,864,000</u>
23	TOTAL APPROPRIATION	((\$9,639,000))
24		<u>\$9,475,000</u>

25 **Sec. 108.** 2009 c 564 s 108 (uncodified) is amended to read as
26 follows:

27 **FOR THE REDISTRICTING COMMISSION**

28	General Fund--State Appropriation (FY 2011)	((\$610,000))
29		<u>\$1,115,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$505,000 of the general fund--state
32 appropriation for fiscal year 2011 is provided solely for the support
33 of legislative redistricting efforts. Prior to the appointment of the
34 redistricting commission, the secretary of the senate and chief clerk
35 of the house of representatives may jointly authorize the expenditure

1 of these funds to facilitate preparations for the 2012 redistricting
2 effort. Following the appointment of the commission, the house of
3 representatives and senate shall enter into an interagency agreement
4 with the commission authorizing the continued expenditure of these
5 funds for legislative redistricting support.

6 **Sec. 109.** 2009 c 564 s 110 (uncodified) is amended to read as
7 follows:

8 **FOR THE SUPREME COURT**

9	General Fund--State Appropriation (FY 2010)	((\$6,912,000))
10		<u>\$6,891,000</u>
11	General Fund--State Appropriation (FY 2011)	((\$6,948,000))
12		<u>\$6,795,000</u>
13	TOTAL APPROPRIATION	((\$13,860,000))
14		<u>\$13,686,000</u>

15 The appropriations in this section are subject to the following
16 conditions and limitations: It is the intent of the legislature that
17 the reductions in appropriations in this section shall be achieved, to
18 the greatest extent possible, by reducing those state government
19 administrative costs that do not affect direct client services or
20 direct service delivery or programs. The agency shall, to the greatest
21 extent possible, reduce spending in those areas that shall have the
22 least impact on implementing its mission.

23 **Sec. 110.** 2009 c 564 s 111 (uncodified) is amended to read as
24 follows:

25 **FOR THE LAW LIBRARY**

26	General Fund--State Appropriation (FY 2010)	((\$1,924,000))
27		<u>\$1,925,000</u>
28	General Fund--State Appropriation (FY 2011)	((\$1,922,000))
29		<u>\$1,659,000</u>
30	TOTAL APPROPRIATION	((\$3,846,000))
31		<u>\$3,584,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: It is the intent of the legislature that
34 the reductions in appropriations in this section shall be achieved, to
35 the greatest extent possible, by reducing those state government
36 administrative costs that do not affect direct client services or

1 direct service delivery or programs. The agency shall, to the greatest
2 extent possible, reduce spending in those areas that shall have the
3 least impact on implementing its mission.

4 **Sec. 111.** 2009 c 564 s 112 (uncodified) is amended to read as
5 follows:

6 **FOR THE COURT OF APPEALS**

7	General Fund--State Appropriation (FY 2010)	((\$15,793,000))
8		<u>\$15,632,000</u>
9	General Fund--State Appropriation (FY 2011)	((\$15,895,000))
10		<u>\$15,969,000</u>
11	TOTAL APPROPRIATION	((\$31,688,000))
12		<u>\$31,601,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: It is the intent of the legislature that
15 the reductions in appropriations in this section shall be achieved, to
16 the greatest extent possible, by reducing those state government
17 administrative costs that do not affect direct client services or
18 direct service delivery or programs. The agency shall, to the greatest
19 extent possible, reduce spending in those areas that shall have the
20 least impact on implementing its mission.

21 **Sec. 112.** 2009 c 564 s 113 (uncodified) is amended to read as
22 follows:

23 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

24	General Fund--State Appropriation (FY 2010)	((\$1,032,000))
25		<u>\$1,043,000</u>
26	General Fund--State Appropriation (FY 2011)	((\$1,082,000))
27		<u>\$1,064,000</u>
28	TOTAL APPROPRIATION	((\$2,114,000))
29		<u>\$2,107,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: It is the intent of the legislature that
32 the reductions in appropriations in this section shall be achieved, to
33 the greatest extent possible, by reducing those state government
34 administrative costs that do not affect direct client services or
35 direct service delivery or programs. The agency shall, to the greatest

1 extent possible, reduce spending in those areas that shall have the
2 least impact on implementing its mission.

3 **Sec. 113.** 2009 c 564 s 114 (uncodified) is amended to read as
4 follows:

5 **FOR THE ADMINISTRATOR FOR THE COURTS**

6	General Fund--State Appropriation (FY 2010)	((\$53,607,000))
7		<u>\$52,644,000</u>
8	General Fund--State Appropriation (FY 2011)	((\$51,812,000))
9		<u>\$52,562,000</u>
10	<u>General Fund--Federal Appropriation</u>	<u>\$979,000</u>
11	Judicial Information Systems Account--State	
12	Appropriation	((\$29,676,000))
13		<u>\$33,406,000</u>
14	Judicial Stabilization Trust Account--State	
15	Appropriation	\$6,598,000
16	TOTAL APPROPRIATION	((\$141,693,000))
17		<u>\$146,189,000</u>

18 The appropriations in this section are subject to the following
19 conditions and limitations:

20 (1) \$1,800,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$1,800,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for school districts for petitions
23 to juvenile court for truant students as provided in RCW 28A.225.030
24 and 28A.225.035. The office of the administrator for the courts shall
25 develop an interagency agreement with the superintendent of public
26 instruction to allocate the funding provided in this subsection.
27 Allocation of this money to school districts shall be based on the
28 number of petitions filed. This funding includes amounts school
29 districts may expend on the cost of serving petitions filed under RCW
30 28A.225.030 by certified mail or by personal service or for the
31 performance of service of process for any hearing associated with RCW
32 28A.225.030.

33 (2)(a) \$8,252,000 of the general fund--state appropriation for
34 fiscal year 2010 and \$8,253,000 of the general fund--state
35 appropriation for fiscal year 2011 are provided solely for distribution
36 to county juvenile court administrators to fund the costs of processing
37 truancy, children in need of services, and at-risk youth petitions.

1 The administrator for the courts, in conjunction with the juvenile
2 court administrators, shall develop an equitable funding distribution
3 formula. The formula shall neither reward counties with higher than
4 average per-petition processing costs nor shall it penalize counties
5 with lower than average per-petition processing costs.

6 (b) Each fiscal year during the 2009-11 fiscal biennium, each
7 county shall report the number of petitions processed and the total
8 actual costs of processing truancy, children in need of services, and
9 at-risk youth petitions. Counties shall submit the reports to the
10 administrator for the courts no later than 45 days after the end of the
11 fiscal year. The administrator for the courts shall electronically
12 transmit this information to the chairs and ranking minority members of
13 the house of representatives appropriations committee and the senate
14 ways and means committee no later than 60 days after a fiscal year
15 ends. These reports are deemed informational in nature and are not for
16 the purpose of distributing funds.

17 (3) The distributions made under this subsection and distributions
18 from the county criminal justice assistance account made pursuant to
19 section 801 of this act constitute appropriate reimbursement for costs
20 for any new programs or increased level of service for purposes of RCW
21 43.135.060.

22 (4) \$5,700,000 of the judicial information systems account--state
23 appropriation is provided solely for modernization and integration of
24 the judicial information system.

25 (a) Of this amount, \$1,700,000 is for the development of a
26 comprehensive enterprise-level information technology strategy and
27 detailed business and operational plans in support of that strategy,
28 and \$4,000,000 is to continue to modernize and integrate current
29 systems and enhance case management functionality on an incremental
30 basis.

31 (b) The amount provided in this subsection may not be expended
32 without prior approval by the judicial information system committee
33 (~~(in consultation with the information services board)~~). The
34 administrator shall regularly submit project plan updates for approval
35 to the judicial information system committee (~~(and the information~~
36 ~~services board)~~).

37 (c) The judicial information system committee (~~(and the information~~
38 ~~services board)~~) shall review project progress on a regular basis and

1 may require quality assurance plans. The judicial information systems
2 committee (~~and the information services board~~) shall provide a report
3 to the appropriate committees of the legislature no later than November
4 1, 2011, on the status of the judicial information system modernization
5 and integration, and the consistency of the project with the state's
6 architecture, infrastructure and statewide enterprise view of service
7 delivery.

8 (d) \$100,000 of the judicial information systems account--state
9 appropriation is provided solely for the administrative office of the
10 courts, in coordination with the judicial information system committee,
11 to conduct an independent third-party executive-level review of the
12 judicial information system. This review shall examine, at a minimum,
13 the scope of the current project plan, governance structure, and
14 organizational change management procedures. The review will also
15 benchmark the system plans against similarly sized projects in other
16 states or localities, review the large scale program risks, and
17 estimate life cycle costs, including capital and on-going operational
18 expenditures.

19 (5) \$3,000,000 of the judicial information systems account--state
20 appropriation is provided solely for replacing computer equipment at
21 state courts, and at state judicial agencies. The administrator for
22 the courts shall prioritize equipment replacement purchasing and shall
23 fund those items that are most essential or critical. By October 1,
24 2010, the administrative office of the courts shall report to the
25 appropriate legislative fiscal committees on expenditures for equipment
26 under this subsection.

27 (6) \$12,000 of the judicial information systems account--state
28 appropriation is provided solely to implement Engrossed Substitute
29 House Bill No. 1954 (sealing juvenile records). If the bill is not
30 enacted by June 30, 2009, the amount provided in this subsection shall
31 lapse.

32 (7) \$106,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$106,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the twenty-third superior
35 court judge position in Pierce county. The funds appropriated in this
36 subsection shall be expended only if the judge is appointed and serving
37 on the bench.

1 (8) It is the intent of the legislature that the reductions in
2 appropriations in this section shall be achieved, to the greatest
3 extent possible, by reducing those state government administrative
4 costs that do not affect direct client services or direct service
5 delivery or programs. The agency shall, to the greatest extent
6 possible, reduce spending in those areas that shall have the least
7 impact on implementing its mission.

8 (9) \$44,000 of the judicial information systems account--state
9 appropriation is provided solely to implement chapter 272, Laws of 2010
10 (SHB 2680; guardianship).

11 (10) \$274,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for the office of public guardianship to
13 provide guardianship services for low-income incapacitated persons.

14 (11) \$3,797,000 of the judicial information systems account--state
15 appropriation is provided solely for continued planning and
16 implementation of improvements to the court case management system.

17 **Sec. 114.** 2009 c 564 s 115 (uncodified) is amended to read as
18 follows:

19 **FOR THE OFFICE OF PUBLIC DEFENSE**

20	General Fund--State Appropriation (FY 2010)	\$25,385,000
21	General Fund--State Appropriation (FY 2011)	(\$24,592,000)
22		<u>\$24,591,000</u>
23	Judicial Stabilization Trust Account--State	
24	Appropriation	\$2,923,000
25	TOTAL APPROPRIATION	(\$52,900,000)
26		<u>\$52,899,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations:

29 (1) It is the intent of the legislature that the reductions in
30 appropriations in this section shall be achieved, to the greatest
31 extent possible, by reducing those state government administrative
32 costs that do not affect direct client services or direct service
33 delivery or programs. The agency shall, to the greatest extent
34 possible, reduce spending in those areas that shall have the least
35 impact on implementing its mission.

36 (2) The amounts provided include funding for expert and
37 investigative services in death penalty personal restraint petitions.

1 \$13,041,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: (~~(+1)~~) \$1,500,000 of the economic
4 development strategic reserve account appropriation is provided solely
5 for efforts to assist with currently active industrial recruitment
6 efforts that will bring new jobs to the state or will retain
7 headquarter locations of major companies currently housed in the state.

8 **Sec. 117.** 2009 c 564 s 118 (uncodified) is amended to read as
9 follows:

10 **FOR THE LIEUTENANT GOVERNOR**

11	General Fund--State Appropriation (FY 2010)	((\$770,000))
12		<u>\$752,000</u>
13	General Fund--State Appropriation (FY 2011)	((\$788,000))
14		<u>\$765,000</u>
15	General Fund--Private/Local Appropriation	((\$90,000))
16		<u>\$88,000</u>
17	TOTAL APPROPRIATION	((\$1,648,000))
18		<u>\$1,605,000</u>

19 **Sec. 118.** 2009 c 564 s 119 (uncodified) is amended to read as
20 follows:

21 **FOR THE PUBLIC DISCLOSURE COMMISSION**

22	General Fund--State Appropriation (FY 2010)	((\$2,267,000))
23		<u>\$2,249,000</u>
24	General Fund--State Appropriation (FY 2011)	((\$2,264,000))
25		<u>\$2,212,000</u>
26	TOTAL APPROPRIATION	((\$4,531,000))
27		<u>\$4,461,000</u>

28 **Sec. 119.** 2010 c 3 s 101 (uncodified) is amended to read as
29 follows:

30 **FOR THE SECRETARY OF STATE**

31	General Fund--State Appropriation (FY 2010)	((\$20,649,000))
32		<u>\$21,105,000</u>
33	General Fund--State Appropriation (FY 2011)	((\$17,733,000))
34		<u>\$14,869,000</u>
35	General Fund--Federal Appropriation	((\$8,121,000))

1 (b) The legislature finds that the commitment of on-going funding
2 is necessary to ensure continuous, autonomous, and independent coverage
3 of public affairs. For that purpose, the secretary of state shall
4 enter into a contract with the nonprofit organization to provide public
5 affairs coverage.

6 (c) The nonprofit organization shall prepare an annual independent
7 audit, an annual financial statement, and an annual report, including
8 benchmarks that measure the success of the nonprofit organization in
9 meeting the intent of the program.

10 (d) No portion of any amounts disbursed pursuant to this subsection
11 may be used, directly or indirectly, for any of the following purposes:

12 (i) Attempting to influence the passage or defeat of any
13 legislation by the legislature of the state of Washington, by any
14 county, city, town, or other political subdivision of the state of
15 Washington, or by the congress, or the adoption or rejection of any
16 rule, standard, rate, or other legislative enactment of any state
17 agency;

18 (ii) Making contributions reportable under chapter 42.17 RCW; or

19 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
20 lodging, meals, or entertainment to a public officer or employee.

21 (3) The appropriations in this section are based upon savings
22 assumed from the implementation of Senate Bill No. 6122 (election
23 costs).

24 ~~(4) ((The secretary of state shall not reduce the services provided
25 by the talking book and Braille library below the service level
26 provided in fiscal year 2008.~~

27 ~~(5))~~ In implementing budget reductions, the office of the
28 secretary of state must make its first priority to maintain funding for
29 the elections division.

30 (5) \$76,000 of the charitable organization education account--state
31 appropriation for fiscal year 2011 is provided solely to implement
32 Second Substitute House Bill No. 2576 (corporation and charity fees).
33 If the bill is not enacted by June 30, 2010, the amount provided in
34 this subsection shall lapse.

35 (6) \$77,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for deposit to the election account.

1 economic recession combine with structural changes in the nature of
 2 work and employment in many state agencies to require a continuing
 3 review of the workforce examination begun under chapter 534, Laws of
 4 2009 (exempt employment practices). The legislature notes the ongoing
 5 management reforms of the Washington management service being
 6 undertaken by the department of personnel, and anticipates a continuing
 7 legislative committee examination of the architecture and cost of the
 8 state's career and executive workforce. To that end, the office of
 9 state auditor is invited to provide by September 1, 2010, a general
 10 survey of new and best practices for executive and career workforce
 11 management now in use by other states and relevant industries.

12 **Sec. 124.** 2010 c 3 s 102 (uncodified) is amended to read as
 13 follows:

14 **FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

15	General Fund--State Appropriation (FY 2010)	\$168,000
16	General Fund--State Appropriation (FY 2011)	((\$209,000))
17		<u>\$206,000</u>
18	TOTAL APPROPRIATION	((\$377,000))
19		<u>\$374,000</u>

20 **Sec. 125.** 2010 c 3 s 103 (uncodified) is amended to read as
 21 follows:

22 **FOR THE ATTORNEY GENERAL**

23	General Fund--State Appropriation (FY 2010)	((\$5,285,000))
24		<u>\$5,732,000</u>
25	General Fund--State Appropriation (FY 2011)	((\$5,614,000))
26		<u>\$5,848,000</u>
27	General Fund--Federal Appropriation	\$4,026,000
28	New Motor Vehicle Arbitration Account--State	
29	Appropriation	((\$1,346,000))
30		<u>\$1,350,000</u>
31	Legal Services Revolving Account--State	
32	Appropriation	((\$221,515,000))
33		<u>\$220,909,000</u>
34	Tobacco Prevention and Control Account--State	
35	Appropriation	\$270,000
36	TOTAL APPROPRIATION	((\$238,056,000))

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on ways and means.

(3) The office of the attorney general is authorized to expend \$2,100,000 from the Zyprexa and other cy pres awards towards consumer protection costs in accordance with uses authorized in the court orders.

(4) The attorney general shall annually report to the fiscal committees of the legislature all new cy pres awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(5) The executive ethics board must produce a report by the end of the calendar year for the legislature regarding performance measures on the efficiency and effectiveness of the board, as well as on performance measures to measure and monitor the ethics and integrity of all state agencies.

(6) \$53,000 of the legal services revolving account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 3026 (school district compliance with state and federal civil rights laws).

1	Building Code Council Account--State Appropriation	((\$1,286,000))
2		<u>\$688,000</u>
3	Home Security Fund Account--State Appropriation	((\$23,498,000))
4		<u>\$25,486,000</u>
5	Affordable Housing for All Account--State	
6	Appropriation	((\$11,900,000))
7		<u>\$11,896,000</u>
8	Washington Auto Theft Prevention Authority	
9	Account--State Appropriation . . . . .	.\$300,000
10	Independent Youth Housing Account--State	
11	Appropriation	((\$80,000))
12		<u>\$220,000</u>
13	<u>County Research Services Account--State Appropriation</u>	<u>\$469,000</u>
14	Community Preservation and Development Authority	
15	Account--State Appropriation . . . . .	.\$350,000
16	Financial Fraud and Identity Theft Crimes Investigation	
17	and Prosecution Account--State Appropriation . . . . .	.\$1,166,000
18	Low-Income Weatherization Assistance Account--State	
19	Appropriation	((\$8,382,000))
20		<u>\$6,882,000</u>
21	<u>City and Town Research Services Account--State</u>	
22	<u>Appropriation</u>	<u>\$2,246,000</u>
23	Manufacturing Innovation and Modernization	
24	Account--State Appropriation	((\$246,000))
25		<u>\$230,000</u>
26	Community and Economic Development Fee	
27	Account--State Appropriation	((\$1,833,000))
28		<u>\$6,922,000</u>
29	Washington Housing Trust Account--State	
30	Appropriation	((\$15,372,000))
31		<u>\$15,348,000</u>
32	<u>Prostitution Prevention and Intervention Account--</u>	
33	<u>State Appropriation</u>	<u>\$125,000</u>
34	Public Facility Construction Loan Revolving	
35	Account--State Appropriation	((\$755,000))
36		<u>\$754,000</u>
37	TOTAL APPROPRIATION	((\$573,252,000))
38		<u>\$560,314,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) (~~(\$2,520,000)~~) \$2,378,000 of the general fund--state
4 appropriation for fiscal year 2010 and (~~(\$2,521,000)~~) \$2,379,000 of the
5 general fund--state appropriation for fiscal year 2011 are provided
6 solely for a contract with the Washington technology center for work
7 essential to the mission of the Washington technology center and
8 conducted in partnership with universities.

9 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
10 the mortgage and rental assistance program, shall be remitted to the
11 department, including any current revolving account balances. The
12 department shall collect payments on outstanding loans, and deposit
13 them into the state general fund. Repayments of funds owed under the
14 program shall be remitted to the department according to the terms
15 included in the original loan agreements.

16 (3) \$100,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$100,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely to implement section 2(7) of
19 Engrossed Substitute House Bill No. 1959 (land use and transportation
20 planning for marine container ports).

21 (4) \$102,000 of the building code council account--state
22 appropriation is provided solely for the implementation of sections 3
23 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
24 environment pollution). If sections 3 and 7 of the bill are not
25 enacted by June 30, 2009, the amounts provided in this subsection shall
26 lapse.

27 (5)(a) \$10,500,000 of the general fund--federal appropriation is
28 provided for training and technical assistance associated with low
29 income weatherization programs. Subject to federal requirements, the
30 department shall provide: (i) Up to \$4,000,000 to the state board for
31 community and technical colleges to provide workforce training related
32 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the
33 Bellingham opportunity council to provide workforce training related to
34 energy efficiency and weatherization; and (iii) up to \$3,500,000 to
35 community-based organizations and to community action agencies
36 consistent with the provisions of Engrossed Second Substitute House
37 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be

1 expended in project 91000013, weatherization, in the omnibus capital
2 appropriations act, Substitute House Bill No. 1216 (capital budget).

3 (b) \$6,787,000 of the general fund--federal appropriation is
4 provided solely for the state energy program, including not less than
5 \$5,000,000 to provide credit enhancements consistent with the
6 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
7 efficiency in buildings).

8 (c) Of the general fund--federal appropriation the department shall
9 provide: \$14,500,000 to the Washington State University for the
10 purpose of making grants for pilot projects providing community-wide
11 urban, residential, and commercial energy efficiency upgrades
12 consistent with the provisions of Engrossed Second Substitute Senate
13 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington
14 State University to conduct farm energy assessments. In contracting
15 with the Washington State University for the provision of these
16 services, the total administration of Washington State University and
17 the department shall not exceed 3 percent of the amounts provided.

18 (d) \$38,500,000 of the general fund--federal appropriation is
19 provided for deposit in the energy recovery act account to establish a
20 revolving loan program, consistent with the provisions of Engrossed
21 Substitute House Bill No. 2289 (expanding energy freedom program).

22 (e) \$10,646,000 of the general fund--federal appropriation is
23 provided pursuant to the energy efficiency and conservation block grant
24 under the American reinvestment and recovery act. The department may
25 use up to \$3,000,000 of the amount provided in this subsection to
26 provide technical assistance for energy programs administered by the
27 agency under the American reinvestment and recovery act.

28 (6) \$14,000 of the general fund--state appropriation for fiscal
29 year 2010 is provided solely for the implementation of Engrossed Second
30 Substitute Senate Bill No. 5560 (state agency climate leadership). If
31 the bill is not enacted by June 30, 2009, the amount provided in this
32 subsection shall lapse.

33 (7) \$22,400,000 of the general fund--federal appropriation is
34 provided solely for the justice assistance grant program and is
35 contingent upon the department transferring: \$1,200,000 to the
36 department of corrections for security threat mitigation, \$2,336,000 to
37 the department of corrections for offender reentry, \$1,960,000 to the
38 Washington state patrol for law enforcement activities, \$2,087,000 to

1 the department of social and health services, division of alcohol and
2 substance abuse for drug courts, and \$428,000 to the department of
3 social and health services for sex abuse recognition training. The
4 remaining funds shall be distributed by the department to local
5 jurisdictions.

6 (8) \$20,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$20,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for a grant to KCTS public
9 television to support Spanish language programming and the V-me Spanish
10 language channel.

11 (9) \$500,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$500,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for a grant to resolution
14 Washington to building statewide capacity for alternative dispute
15 resolution centers and dispute resolution programs that guarantee that
16 citizens have access to low-cost resolution as an alternative to
17 litigation.

18 (10) \$30,000 of the general fund--state appropriation for fiscal
19 year 2010 is provided solely for implementation of Engrossed Second
20 Substitute Senate Bill No. 6015 (commercialization of technology). If
21 the bill is not enacted by June 30, 2009, the amount provided in this
22 subsection shall lapse.

23 (11) By June 30, 2011, the department shall request information
24 that describes what jurisdictions have adopted, or are in the process
25 of adopting, plans that address RCW 36.70A.020 and helps achieve the
26 greenhouse gas emission reductions established in RCW 70.235.020. This
27 information request in this subsection applies to jurisdictions that
28 are required to review and if necessary revise their comprehensive
29 plans ((~~by December 1, 2011,~~)) in accordance with RCW 36.70A.130.

30 (12) During the 2009-11 fiscal biennium, the department shall allot
31 all of its appropriations subject to allotment by object, account, and
32 expenditure authority code to conform with the office of financial
33 management's definition of an option 2 allotment. For those funds
34 subject to allotment but not appropriation, the agency shall submit
35 option 2 allotments to the office of financial management.

36 (13) \$50,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a grant for the state's
2 participation in the Pacific Northwest economic region.

3 (14) \$712,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$712,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to the office of crime victims
6 advocacy. These funds shall be contracted with the 39 county
7 prosecuting attorneys' offices to support victim-witness services. The
8 funds must be prioritized to ensure a full-time victim-witness
9 coordinator in each county. The office may retain only the amount
10 currently allocated for this activity for administrative costs.

11 (15) \$306,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$306,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for a grant to the retired senior
14 volunteer program.

15 (16) \$65,000 of the general fund--state appropriation for fiscal
16 year 2010 (~~((and \$65,000 of the general fund--state appropriation for
17 fiscal year 2011 are))~~) is provided solely for a contract with a food
18 distribution program for communities in the southwestern portion of the
19 state and for workers impacted by timber and salmon fishing closures
20 and reductions. The department may not charge administrative overhead
21 or expenses to the funds provided in this subsection.

22 (17) \$371,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$371,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to the northwest agriculture
25 business center.

26 (18) The department shall administer its growth management act
27 technical assistance so that smaller cities receive proportionately
28 more assistance than larger cities or counties. (~~((Pass through grants
29 shall continue to be funded under 2007-09 policy.))~~)

30 (19) \$212,000 of the general fund--federal appropriation is
31 provided solely for implementation of Second Substitute House Bill No.
32 1172 (development rights transfer). If the bill is not enacted by June
33 30, 2009, the amount provided in this subsection shall lapse.

34 (20) \$69,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$66,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for implementation of Engrossed
37 Second Substitute House Bill No. 2227 (evergreen jobs act). If the

1 bill is not enacted by June 30, 2009, the amounts provided in this
2 subsection shall lapse.

3 (21) \$350,000 of the community development and preservation
4 authority account--state appropriation is provided solely for a grant
5 to a community development authority established under chapter 43.167
6 RCW. The community preservation and development's board of directors
7 may contract with nonprofit community organizations to aid in
8 mitigating the effects of increased public impact on urban
9 neighborhoods due to events in stadia that have a capacity of over
10 50,000 spectators.

11 (22) \$300,000 of the Washington auto theft prevention authority
12 account--state appropriation is provided solely for a contract with a
13 community group to build local community capacity and economic
14 development within the state by strengthening political relationships
15 between economically distressed communities and governmental
16 institutions. The community group shall identify opportunities for
17 collaboration and initiate activities and events that bring community
18 organizations, local governments, and state agencies together to
19 address the impacts of poverty, political disenfranchisement, and
20 economic inequality on communities of color. These funds must be
21 matched by other nonstate sources on an equal basis.

22 (23) \$1,800,000 of the home security fund--state appropriation is
23 provided for transitional housing assistance or partial payments for
24 rental assistance under the independent youth housing program.

25 (24) \$5,000,000 of the home security fund--state appropriation is
26 provided solely for the operation, repair, and staffing of shelters in
27 the homeless family shelter program.

28 (25) \$253,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$283,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for the Washington new Americans
31 program.

32 (26) \$438,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$438,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the Washington asset building
35 coalitions.

36 (27) Funding provided to microenterprise development organizations
37 for fiscal year 2011 shall not be reduced by more than ten percent from
38 funding levels in the 2009-11 operating budget.

1 (28) Within existing resources, the department of commerce shall
2 convene a work group that includes a representative designated by each
3 of the following: The department, the economic development commission,
4 the Washington technology center, the Spokane intercollegiate research
5 and technology institute, the University of Washington center for
6 commercialization and Washington State University's office of economic
7 development and global engagement. To better align the missions of
8 state supported entities conducting commercialization, the work group
9 shall prepare and submit a report to the legislature no later than
10 December 1, 2010, that identifies gaps and overlaps in programs,
11 evaluates strategies to reduce administrative overhead expenses, and
12 recommends changes which would amplify and accelerate innovation-driver
13 job creation in the state.

14 (29) \$3,231,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$3,231,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for associate development
17 organizations.

18 (30) \$5,400,000 of the community and economic development fee
19 account is provided as follows: \$1,000,000 is provided solely for the
20 department of commerce for services for homeless families through the
21 Washington families fund; \$2,600,000 is provided solely for housing
22 trust fund operations and maintenance; \$800,000 is provided solely for
23 housing trust fund portfolio management; \$500,000 is provided solely
24 for foreclosure counseling and support; and \$500,000 is provided solely
25 for use as a reserve in the account.

26 (31)(a) The economic development commission must develop a biennial
27 budget request for approval by the office of financial management. The
28 commission must adopt an annual budget and work plan in accordance with
29 the omnibus appropriations bill approved by the legislature.

30 (b) Of state appropriated funds for the operation of the
31 commission, the state agency serving as the commission's fiscal agent
32 may use no more than ten percent of funds appropriated for commission
33 personnel costs and no more than three percent of funds in the
34 Washington state economic development commission account to cover
35 administrative expenses.

36 (c) The commission may accept gifts, grants, donations,
37 sponsorships, or contributions from any federal, state, or local

1 governmental agency or program, or any private source, and expend the
2 same for any purpose consistent with this chapter.

3 (d) The Washington state economic development commission account is
4 created in the custody of the state treasurer. All receipts from
5 gifts, grants, donations, sponsorships, or contributions must be
6 deposited into the account. State appropriated funds may not be
7 deposited into the account. The account is subject to the allotment
8 procedures under chapter 43.88 RCW, but an appropriation is not
9 required for expenditures. Expenditures from the account may be used
10 only for purposes related to carrying out the mission, roles, and
11 responsibilities of the commission. Only the commission, or the
12 commission's designee, may authorize expenditures from the account.

13 (32) \$250,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for the department to administer a
15 competitive grant program to fund economic development activities
16 designed to further regional cluster growth and to integrate its
17 sector-based and cluster-based strategies with its support for the
18 development of innovation partnership zones. Grant recipients must
19 provide matching funds equal to the size of the grant. Grants may be
20 awarded to support the formation of sector associations or cluster
21 associations, the identification of the technology and
22 commercialization needs of a sector or cluster, facilitating working
23 relationships between a sector association or cluster association and
24 an innovation partnership zone, expanding the operations of an
25 innovation partnership zone, and developing and implementing plans to
26 meet the technology development and commercialization needs of industry
27 sectors, industry clusters, and innovation partnership zones. The
28 projects receiving grants must not duplicate the purpose or efforts of
29 industry skill panels but priority must be given to applicants that
30 complement industry skill panels and will use the grant funds to build
31 linkages and joint projects.

32 (33) \$100,000 of the general fund--state appropriation for fiscal
33 year 2011 is provided solely to:

34 (a) Develop a rural manufacturer export outreach program in
35 conjunction with impact Washington. The program must provide outreach
36 services to rural manufacturers in Washington to inform them of the
37 importance of and opportunities in international trade, and to inform

1 them of the export assistance programs available to assist these
2 businesses to become exporters; and

3 (b) Develop export loan or loan guarantee programs in conjunction
4 with the Washington economic development finance authority and the
5 appropriate federal and private entities.

6 (34) \$1,000,000 of the general fund--state appropriation for fiscal
7 year 2011 is provided solely to implement the provisions of chapter 13,
8 Laws of 2010 (global health program).

9 (35) \$50,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for the creation of the Washington
11 entrepreneurial development and small business reference service in the
12 department of commerce.

13 (a) The department must:

14 (i) In conjunction with and drawing on information compiled by the
15 work force training and education coordinating board and the Washington
16 economic development commission:

17 (A) Establish and maintain an inventory of the public and private
18 entrepreneurial training and technical assistance services, programs,
19 and resources available in the state;

20 (B) Disseminate information about available entrepreneurial
21 development and small business assistance services, programs, and
22 resources via in-person presentations and electronic and printed
23 materials and undertake other activities to raise awareness of
24 entrepreneurial training and small business assistance offerings; and

25 (C) Evaluate the extent to which existing entrepreneurial training
26 and technical assistance programs in the state are effective and
27 represent a consistent, integrated approach to meeting the needs of
28 start-up and existing entrepreneurs;

29 (ii) Assist providers of entrepreneurial development and small
30 business assistance services in applying for federal and private
31 funding to support the entrepreneurial development and small business
32 assistance activities in the state;

33 (iii) Distribute awards for excellence in entrepreneurial training
34 and small business assistance; and

35 (iv) Report to the governor, the economic development commission,
36 the work force training and education coordinating board, and the
37 appropriate legislative committees its recommendations for statutory

1 changes necessary to enhance operational efficiencies or enhance
2 coordination related to entrepreneurial development and small business
3 assistance.

4 (b) In carrying out the duties under this section, the department
5 must seek the advice of small business owners and advocates, the
6 Washington economic development commission, the work force training and
7 education coordinating board, the state board for community and
8 technical colleges, the employment security department, the Washington
9 state microenterprise association, associate development organizations,
10 impact Washington, the Washington quality award council, the Washington
11 technology center, the small business export finance assistance center,
12 the Spokane intercollegiate research and technology institute,
13 representatives of the University of Washington business school and the
14 Washington State University college of business and economics, the
15 office of minority and women's business enterprises, the Washington
16 economic development finance authority, and staff from small business
17 development centers.

18 (c) The director may appoint an advisory board or convene such
19 other individuals or groups as he or she deems appropriate to assist in
20 carrying out the department's duties under this section.

21 (36) The investing in innovation account is created in the custody
22 of the state treasurer. Funds may be directed to the account from
23 federal, state, and private sources. Expenditures from the account may
24 be used only to carry out the investing in innovation grants program
25 established under RCW 70.210.030, and other innovation and
26 commercialization purposes consistent with the federal, state, or
27 private and other funding guidelines that apply to the funds deposited
28 in the account. Only the executive director of the Washington
29 technology center or the executive director's designee may authorize
30 expenditures from the account. The account is subject to allotment
31 procedures under chapter 43.88 RCW, but an appropriation is not
32 required for expenditures.

33 (37) \$50,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for a grant to HistoryLink.

35 (38) \$50,000 of the general fund--state appropriation for fiscal
36 year 2011 is provided solely for the Washington quality award council
37 created in RCW 43.06.335 to provide training to small manufacturers and
38 other businesses as well as to technical assistance providers from the

1 department of commerce, impact Washington, small business development
2 centers, associate development organizations, and other organizations.
3 The training shall be in continuous quality improvement, performance
4 measurement, strategic planning, and other approaches designed to
5 reduce operating costs, improve effectiveness, and increase
6 productivity in businesses receiving assistance.

7 (39) \$50,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for the manufacturing innovation and
9 modernization account created in RCW 43.338.030.

10 **Sec. 128.** 2010 c 3 s 106 (uncodified) is amended to read as
11 follows:

12 **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

13	General Fund--State Appropriation (FY 2010)	\$711,000
14	General Fund--State Appropriation (FY 2011)	((\$785,000))
15		<u>\$772,000</u>
16	TOTAL APPROPRIATION	((\$1,496,000))
17		<u>\$1,483,000</u>

18 The appropriations in this section are subject to the following
19 conditions and limitations: The economic and revenue forecast council,
20 in its quarterly revenue forecasts, shall forecast the total revenue
21 for the state lottery.
22

23 **Sec. 129.** 2010 c 3 s 107 (uncodified) is amended to read as
24 follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

26	General Fund--State Appropriation (FY 2010)	((\$21,599,000))
27		<u>\$21,189,000</u>
28	General Fund--State Appropriation (FY 2011)	((\$20,670,000))
29		<u>\$20,152,000</u>
30	General Fund--Federal Appropriation	((\$23,597,000))
31		<u>\$27,103,000</u>
32	General Fund--Private/Local Appropriation	\$1,270,000
33	State Auditing Services Revolving	
34	Account--State Appropriation	\$25,000
35	Economic Development Strategic Reserve Account--	
36	State Appropriation	((\$280,000))
37		<u>\$278,000</u>

1 TOTAL APPROPRIATION ((\$67,441,000))

2 \$70,017,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) \$188,000 of the general fund--state appropriation for fiscal
6 year 2010 is provided solely for the implementation of Second
7 Substitute Senate Bill No. 5945 (Washington health partnership plan).

8 If the bill is not enacted by June 30, 2009, the amount provided in
9 this subsection shall lapse.

10 (2) The office of financial management shall conduct a study on
11 alternatives for consolidating or transferring activities and
12 responsibilities of the state lottery commission, state horse racing
13 commission, state liquor control board, and the state gambling
14 commission to achieve cost savings and regulatory efficiencies. In
15 conducting the study, the office of financial management shall consult
16 with the legislative fiscal committees. Further, the office of
17 financial management shall establish an advisory group to include, but
18 not be limited to, representatives of affected businesses, state
19 agencies or entities, local governments, and stakeholder groups. The
20 office of financial management shall submit a final report to the
21 governor and the legislative fiscal committees by November 15, 2009.

22 ~~(3) ((\$500,000 of the general fund--state appropriation for fiscal~~
23 ~~year 2010 is provided solely for a study of the feasibility of closing~~
24 ~~state institutional facilities and a plan on eliminating beds in the~~
25 ~~state institutional facility inventory. The office of financial~~
26 ~~management shall contract with consultants with expertise related to~~
27 ~~the subject matters included in this study. The office of financial~~
28 ~~management and the consultants shall consult with the department of~~
29 ~~social and health services, the department of corrections, stakeholder~~
30 ~~groups that represent the people served in these institutions, labor~~
31 ~~organizations that represent employees who work in these institutions~~
32 ~~and other persons or entities with expertise in the areas being~~
33 ~~studied.~~

34 ~~(a) For the purposes of this study, "state institutional~~
35 ~~facilities" means facilities operated by the department of corrections~~
36 ~~to house persons convicted of a criminal offense, Green Hill school and~~
37 ~~Maple Lane school operated by the department of social and health~~

1 services — juvenile — rehabilitation — administration, — and — residential
2 habilitation centers operated by the department of social and health
3 services.

4 (b) In conducting this study, the consultants shall consider the
5 following factors as appropriate:

6 (i) The availability of alternate facilities including alternatives
7 and opportunities for consolidation with other facilities, impacts on
8 those alternate facilities, and any related capital costs;

9 (ii) The cost of operating the facility, including the cost of
10 providing services and the cost of maintaining or improving the
11 physical plant of the facility;

12 (iii) The geographic factors associated with the facility,
13 including the impact of the facility on the local economy and the
14 economic impact of its closure, and alternative uses for a facility
15 recommended for closure;

16 (iv) The costs associated with closing the facility, including the
17 continuing costs following the closure of the facility;

18 (v) Number and type of staff and the impact on the facility staff
19 including other employment opportunities if the facility is closed;

20 (vi) The savings that will accrue to the state from closure or
21 consolidation of a facility and the impact any closure would have on
22 funding the associated services; and

23 (vii) For the residential habilitation centers, the impact on
24 clients in the facility being recommended for closure and their
25 families, including ability to get alternate services and impact on
26 being moved to another facility.

27 (c) The office of financial management shall submit a final report
28 to the governor and the ways and means committees of the house of
29 representatives and senate by November 1, 2009. The report shall
30 provide a recommendation and a plan to eliminate 1,580 beds in the
31 department of corrections facilities, 235 beds from juvenile
32 rehabilitation facilities, and 250 funded beds in the residential
33 habilitation centers through closure or consolidation of facilities.
34 The report shall include an assessment of each facility studied, where
35 and how the services should be provided, and any costs or savings
36 associated with each recommendation. In considering the
37 recommendations of the report, the governor and the legislature shall
38 not consider closure of any state institutional facility unless the

1 ~~report recommended the facility for closure.)~~ \$25,000 of the general
2 fund--state appropriation for fiscal year 2011 is provided solely for
3 the office to contract with the Washington state quality award program
4 to provide training for state managers and employees.

5 (4) \$110,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely to implement Second Substitute Senate Bill
7 No. 6578 (multiagency permitting teams). If the bill is not enacted by
8 June 30, 2010, the amount provided in this subsection shall lapse.

9 (5) The office of financial management shall, with the assistance
10 of the natural resources cabinet as created in executive order 09-07,
11 reduce the number of facilities being leased by the state by
12 consolidating, wherever possible, regional offices and storage
13 facilities of the natural resource agencies. The office of financial
14 management and the natural resources cabinet shall submit a report on
15 the progress of this effort and the associated savings to the
16 appropriate fiscal committees of the legislature no later than December
17 1, 2010.

18 (6) \$100,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$100,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the office of financial
21 management to hire an independent consultant to conduct an assessment.
22 The consultant shall be agreed upon by a wide range of interested
23 stakeholders including organization leaders representing residents of
24 residential habilitation centers. The assessment shall include
25 interviews with all residential habilitation center residents or
26 guardians of residents to determine the optimum setting for these
27 individuals and shall include the option and choice to remain in a
28 residential habilitation center. The assessment shall note when the
29 recommendation of the consultant differs from the choice of the
30 individual. The assessment shall also determine service and placements
31 that are underfunded or underserved in community settings and determine
32 resources and options for funding sources necessary to adequately fund
33 community-based services for people with developmental disabilities.
34 The resulting report will be due to the legislature on December 1,
35 2010.

36 (7)(a) \$50,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$150,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the purposes of the office of
2 financial management:

3 (i) Conducting a technical and financial analysis of the state's
4 plan for the consolidated state data center and office building; and

5 (ii) Developing a strategic business plan outlining the various
6 options for use of the site that maximize taxpayer value consistent
7 with the terms of the finance lease and related agreements.

8 (b) The analysis required in (a)(i) of this subsection must consist
9 of, at a minimum, an assessment of the following issues:

10 (i) The total capital and operational costs for the proposed data
11 center and office building;

12 (ii) The occupancy rate for the consolidated state data center, as
13 compared to total capacity, that will result in revenue exceeding total
14 capital and operating expenses;

15 (iii) The potential reallocation of resources that could result
16 from the consolidation of state data centers and office space; and

17 (iv) The potential return on investment for the consolidated state
18 data center and office building that may be realized without impairing
19 any existing contractual rights under the terms of the financing lease
20 and related agreements.

21 (c) This review must build upon the analysis and migration strategy
22 for the consolidated state data center being prepared for the
23 department of information services.

24 (d) The strategic plan must be submitted to the governor and the
25 legislature by December 1, 2010.

26 (8) Appropriations in this section include amounts sufficient to
27 implement Engrossed Substitute House Bill No. 3178 (technology
28 efficiencies).

29 **Sec. 130.** 2009 c 564 s 131 (uncodified) is amended to read as
30 follows:

31 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

32 Administrative Hearings Revolving

33 Account--State Appropriation ((\$33,473,000))
34 \$33,978,000

35 The appropriation in this section is subject to the following
36 conditions and limitations: \$725,000 of the administrative hearings
37 revolving account--state appropriation is provided solely to implement

1 Engrossed Second Substitute House Bill No. 2782 (security lifeline
2 act). If the bill is not enacted by June 30, 2010, the amount provided
3 in this subsection shall lapse.

4 **Sec. 131.** 2009 c 564 s 132 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF PERSONNEL**

7	Department of Personnel Service Account--State	
8	Appropriation	((\$22,025,000))
9		<u>\$20,057,000</u>
10	Higher Education Personnel Services Account--State	
11	Appropriation	((\$1,716,000))
12		<u>\$1,578,000</u>
13	TOTAL APPROPRIATION	((\$23,741,000))
14		<u>\$21,635,000</u>

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1) The department shall coordinate with the governor's office of
18 Indian affairs on providing the government-to-government training
19 sessions for federal, state, local, and tribal government employees.
20 The training sessions shall cover tribal historical perspectives, legal
21 issues, tribal sovereignty, and tribal governments. Costs of the
22 training sessions shall be recouped through a fee charged to the
23 participants of each session. The department shall be responsible for
24 all of the administrative aspects of the training, including the
25 billing and collection of the fees for the training.

26 (2) In coordination with efforts under section 119(4) of this act,
27 the department of personnel shall provide, by September 1, 2010, a
28 synopsis of current and recent survey data regarding employee
29 satisfaction and the department's overall assessment of career and
30 executive workforce management concerns.

31 **Sec. 132.** 2009 c 564 s 133 (uncodified) is amended to read as
32 follows:

33 **FOR THE WASHINGTON STATE LOTTERY**

34	Lottery Administrative Account--State	
35	Appropriation	((\$27,776,000))
36		<u>\$26,777,000</u>

1 enacted by June 30, 2009, the amount provided in this subsection shall
2 lapse.

3 (3) \$12,000 of the department of retirement systems--state
4 appropriation is provided solely for the administrative costs
5 associated with implementation of Senate Bill No. 5542 or House Bill
6 No. 1678 (minimum disability benefits). If neither bill is enacted by
7 June 30, 2009, the amount provided in this subsection shall lapse.

8 (4) \$45,000 of the department of retirement systems expense
9 account--state appropriation is provided solely to implement Engrossed
10 Substitute House Bill No. 1445 (Washington state patrol retirement
11 system domestic partners). If the bill is not enacted by June 30,
12 2009, the amount provided in this subsection shall lapse.

13 (5) \$45,000 of the department of retirement systems expense
14 account--state appropriation is provided solely to implement Engrossed
15 House Bill No. 1616 (law enforcement officers' and firefighters'
16 retirement system plan 2 domestic partners). If the bill is not
17 enacted by June 30, 2009, the amount provided in this subsection shall
18 lapse.

19 (6) \$56,000 of the department of retirement systems expense
20 account--state appropriation is provided solely to implement House Bill
21 No. 1548 (military service credit purchases). If the bill is not
22 enacted by June 30, 2009, the amount provided in this subsection shall
23 lapse.

24 (7) \$35,000 of the department of retirement systems expense
25 account--state appropriation is provided solely to implement Substitute
26 House Bill No. 1953 (department of fish and wildlife enforcement
27 officers' past service credit). If the bill is not enacted by June 30,
28 2009, the amount provided in this subsection shall lapse.

29 (8) \$58,000 of the department of retirement systems expense
30 account--state appropriation is provided solely to implement House Bill
31 No. 1541 (plan 2/3 half-time educational employee service credit). If
32 the bill is not enacted by June 30, 2010, the amount provided in this
33 subsection shall lapse.

34 (9) \$31,000 of the department of retirement systems expense
35 account--state appropriation is provided solely to implement Engrossed
36 House Bill No. 2519 (public safety death benefits). If the bill is not
37 enacted by June 30, 2010, the amount provided in this subsection shall
38 lapse.

1 (sales tax compliance). If the bill is not enacted by June 30, 2009,
2 the amounts provided in this subsection shall lapse.

3 (4) \$1,294,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$3,085,000 of the general fund--state appropriation for
5 fiscal year 2011 are for the implementation of Second Engrossed
6 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
7 bill is not enacted by June 30, 2010, the amounts provided in this
8 subsection shall lapse.

9 (5) \$163,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely to implement Substitute Senate Bill No.
11 6846 (enhanced 911 services). If the bill is not enacted by June 30,
12 2010, the amount provided in this subsection shall lapse.

13 (6) \$1,200,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for making the necessary preparations for
15 implementation of the working families tax exemption pursuant to RCW
16 82.08.0206 in 2012.

17 **Sec. 137.** 2009 c 564 s 138 (uncodified) is amended to read as
18 follows:

19 **FOR THE STATE INVESTMENT BOARD**

20 State Investment Board Expense Account--State	
21 Appropriation	((\$29,581,000))
22	<u>\$29,352,000</u>

23 The appropriation in this section is subject to the following
24 conditions and limitations:

25 (1) \$2,471,000 of the state investment board expense account--state
26 appropriation is provided solely for development of a risk management
27 information system, with the intent that further expenditures for this
28 project be made only by appropriation.

29 (2) The state investment board shall include funding for any future
30 salary increases authorized under RCW 43.33A.100 in the agency's budget
31 request submitted in accordance with chapter 43.88 RCW in advance of
32 granting related salary increases. The biennial salary survey required
33 under RCW 43.33A.100 shall also be provided to the office of financial
34 management and to the fiscal committees of the legislature as part of
35 the state investment board's biennial budget submittal, and shall
36 include the total amount of compensation increases proposed, as well as
37 recommended salary ranges.

1 **Sec. 138.** 2010 c 3 s 109 (uncodified) is amended to read as
2 follows:

3 **FOR THE BOARD OF TAX APPEALS**

4	General Fund--State Appropriation (FY 2010)	((\$1,342,000))
5		<u>\$1,346,000</u>
6	General Fund--State Appropriation (FY 2011)	((\$1,346,000))
7		<u>\$1,318,000</u>
8	TOTAL APPROPRIATION	((\$2,688,000))
9		<u>\$2,664,000</u>

10 **Sec. 139.** 2009 c 564 s 140 (uncodified) is amended to read as
11 follows:

12 **FOR THE MUNICIPAL RESEARCH COUNCIL**

13	County Research Services Account--State Appropriation . .	((\$940,000))
14		<u>\$471,000</u>
15	City and Town Research Services--State	
16	Appropriation	((\$4,515,000))
17		<u>\$2,258,000</u>
18	TOTAL APPROPRIATION	((\$5,455,000))
19		<u>\$2,729,000</u>

20 **Sec. 140.** 2009 c 564 s 141 (uncodified) is amended to read as
21 follows:

22 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

23	OMWBE Enterprises Account--State Appropriation	((\$3,622,000))
24		<u>\$3,674,000</u>

25 **Sec. 141.** 2009 c 564 s 142 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

28	General Fund--State Appropriation (FY 2010)	\$815,000
29	General Fund--State Appropriation (FY 2011)	((\$811,000))
30		<u>\$3,963,000</u>
31	General Fund--Federal Appropriation	((\$5,738,000))
32		<u>\$2,956,000</u>
33	<u>Building Code Council Account--State</u>	
34	<u>Appropriation</u>	<u>\$593,000</u>
35	<u>General Fund--Private/Local Appropriation</u>	<u>\$84,000</u>

1	General Administration Service Account--State	
2	Appropriation	(((\$35,044,000))
3		\$31,748,000
4	TOTAL APPROPRIATION	(((\$42,408,000))
5		\$40,159,000

6 The appropriations in this section are subject to the following
7 conditions and limitations:

8 (1) \$28,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$28,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for the purposes of section 8 of
11 Engrossed Second Substitute Senate Bill No. 5854 (built environment
12 pollution). If section 8 of the bill is not enacted by June 30, 2009,
13 the amounts provided in this subsection shall lapse.

14 (2) \$3,545,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for the payment of facilities and services
16 charges, utilities and contracts charges, public and historic
17 facilities charges, and capital projects surcharges allocable to the
18 senate, house of representatives, statute law committee, and joint
19 legislative systems committee. The department shall allocate charges
20 attributable to these agencies among the affected revolving funds. The
21 department shall enter into an interagency agreement with these
22 agencies by July 1, 2010, to establish performance standards,
23 prioritization of preservation and capital improvement projects, and
24 quality assurance provisions for the delivery of services under this
25 subsection. The agencies named in this subsection shall continue to
26 enjoy all of the same rights of occupancy, support, and space use on
27 the capitol campus as historically established.

28 (3) \$84,000 of the general fund--private/local appropriation and
29 \$593,000 of the building code council account--state appropriation are
30 provided solely to implement Engrossed Second Substitute House Bill No.
31 2658 (refocusing the department of commerce, including transferring
32 programs). If the bill is not enacted by June 30, 2010, the amounts
33 provided in this subsection shall lapse.

34 **Sec. 142.** 2010 c 3 s 110 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF INFORMATION SERVICES**
37 General Fund--State Appropriation (FY 2010) \$1,086,000

1	General Fund--State Appropriation (FY 2011)	((\$1,086,000))
2		<u>\$1,080,000</u>
3	General Fund--Federal Appropriation	\$701,000
4	<u>General Fund--Private/Local Appropriation</u>	<u>\$178,000</u>
5	Data Processing Revolving Account--State	
6	Appropriation	((\$7,824,000))
7		<u>\$7,601,000</u>
8	TOTAL APPROPRIATION	((\$10,697,000))
9		<u>\$10,646,000</u>

10 The appropriations in this section are subject to the following
11 conditions and limitations:

12 (1) \$100,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for the purposes of Engrossed
15 Second Substitute House Bill No. 1701 (high-speed internet), including
16 expenditure for deposit to the community technology opportunity
17 account. If the bill is not enacted by June 30, 2009, the amounts
18 provided in this subsection shall lapse.

19 (2) The department shall implement some or all of the following
20 strategies to achieve savings on information technology expenditures
21 through: (a) Holistic virtualization strategies; (b) wide-area network
22 optimization strategies; (c) replacement of traditional telephone
23 communications systems with alternatives; and (d) migration of external
24 voice mail systems to internal voice mail systems coordinated by the
25 department. The department shall report to the office of financial
26 management and the fiscal committees of the legislature semiannually on
27 progress made towards the implementation of savings strategies and the
28 savings realized to date. No later than June 30, 2011, the department
29 shall submit a final report on its findings and savings realized to the
30 office of financial management and the fiscal committees of the
31 legislature.

32 (3) \$178,000 of the general fund--private/local appropriation is
33 provided solely for the implementation of the opportunity portal under
34 Second Substitute House Bill No. 2782 (security lifeline act). If the
35 bill is not enacted by June 30, 2010, the amount provided in this
36 subsection shall lapse.

37 (4) Appropriations in this section include amounts sufficient to

1 implement Engrossed Substitute House Bill No. 3178 (technology
2 efficiencies).

3 **Sec. 143.** 2009 c 564 s 144 (uncodified) is amended to read as
4 follows:

5 **FOR THE INSURANCE COMMISSIONER**

6	General Fund--Federal Appropriation	((\$1,943,000))
7		<u>\$1,939,000</u>
8	Insurance Commissioners Regulatory Account--State	
9	Appropriation	((\$47,978,000))
10		<u>\$48,452,000</u>
11	TOTAL APPROPRIATION	((\$49,921,000))
12		<u>\$50,391,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$410,000 of the insurance commissioner's regulatory account
16 appropriation is provided solely to implement Substitute Senate Bill
17 No. 5480 (discount health plans). If the bill is not enacted by June
18 30, 2009, the amount provided in this subsection shall lapse.

19 (2) \$598,000 of the insurance commissioner's regulatory account
20 appropriation is provided solely to implement Substitute Senate Bill
21 No. 5195 (life settlements model act). If the bill is not enacted by
22 June 30, 2009, the amount provided in this subsection shall lapse.

23 (3) \$551,000 of the insurance commissioner's regulatory account
24 appropriation is provided solely to implement Second Substitute Senate
25 Bill No. 5346 (health care administration simplification). If the bill
26 is not enacted by June 30, 2009, the amount provided in this subsection
27 shall lapse.

28 (4) \$40,000 of the insurance commissioner's regulatory account
29 appropriation is to implement Engrossed Substitute House Bill No. 2560
30 (joint underwriting associations).

31 (5) \$227,000 of the insurance commissioner's regulatory account
32 appropriation is provided solely to implement Engrossed Substitute
33 House Bill No. 1714 (association health plans).

34 **Sec. 144.** 2009 c 564 s 145 (uncodified) is amended to read as
35 follows:

1 **FOR THE BOARD OF ACCOUNTANCY**

2 Certified Public Accountants' Account--State

3 Appropriation ((~~\$3,016,000~~))
4 \$3,649,000

5 The appropriation in this section is subject to the following
6 conditions and limitations: \$150,000 of the certified public
7 accountants' account appropriation is provided solely for the board to
8 contract with a consultant or consultants to conduct an independent
9 investigation. Each consultant must be a governmental entity or an
10 independent firm of legal consultants. Each consultant must be
11 familiar with the administrative procedure act, chapter 34.05 RCW. The
12 consultant or consultants shall produce a report that includes, but is
13 not limited to, an evaluation of the efficiency and effectiveness of
14 the board's practices, policies, and procedures, and an evaluation of
15 the efficacy, economy, and accountability of merging the board into the
16 department of licensing. The consultant or consultants shall deliver
17 a report to the appropriate committees of the legislature on or before
18 December 1, 2010.

19 **Sec. 145.** 2009 c 564 s 147 (uncodified) is amended to read as
20 follows:

21 **FOR THE HORSE RACING COMMISSION**

22 Horse Racing Commission Operating Account--State

23 Appropriation ((~~\$5,123,000~~))
24 \$4,830,000

25 The appropriation in this section is subject to the following
26 conditions and limitations: Pursuant to RCW 43.135.055, the commission
27 is authorized to increase licensing fees during the 2009-2011 fiscal
28 biennium as necessary to support the appropriation in this section.

29 **Sec. 146.** 2009 c 564 s 148 (uncodified) is amended to read as
30 follows:

31 **FOR THE LIQUOR CONTROL BOARD**

32 Liquor Control Board Construction and Maintenance

33 Account--State Appropriation \$8,817,000
34 Liquor Revolving Account--State Appropriation ((~~\$200,506,000~~))
35 \$156,580,000

36 TOTAL APPROPRIATION ((~~\$209,323,000~~))

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,306,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to open five new state stores.

(2) \$40,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to open ten new contract stores.

(3) \$3,059,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to increase state and local revenues from new retail strategies including opening nine state stores on Sunday, opening state liquor stores on seven holidays, opening six mall locations during the holiday season, and increasing lottery sales.

(4) \$173,000 of the liquor revolving account--state appropriation is provided solely for the Engrossed House Bill No. 2040 (beer and wine regulation commission). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(5) \$130,000 of the liquor revolving account appropriation is provided to implement chapter 141, Laws of 2010 (SSB 6329).

(6) Within the amounts appropriated in this section, the liquor control board shall monitor the tasting endorsement authorized by chapter 141, Laws of 2010 (SSB 6329) and report to the appropriate committees of the legislature by June 30, 2011, on the enforcement of the endorsement. The report must include the number of compliance checks conducted by the liquor board during tasting activities, whether the checks were conducted with the knowledge of the licensee, the number of compliance checks passed, the number and type of notices of violation issued, the penalties imposed for the violations, the number of complaints received about tasting activities, and other information related to the enforcement of the endorsement. If the bill is not enacted by June 30, 2010, the requirements of this subsection shall be null and void.

(7) The board shall prepare a plan to transition selected state liquor stores to contract stores. The plan must identify stores for transition that the board determines will result in the greatest efficiency and cost-effectiveness for the state. The plan must provide

1 for the conversion of at least twenty state liquor stores to contract
2 liquor stores and for that conversion to occur between July 1, 2011,
3 and July 1, 2013. The plan must also include an analysis of the
4 revenue generating capacity and costs for the stores before and after
5 the conversion as well as an analysis of access to liquor by
6 intoxicated and underage persons. The board shall submit the plan to
7 the appropriate policy and fiscal committees of the legislature by
8 November 1, 2010.

9 **Sec. 147.** 2009 c 564 s 150 (uncodified) is amended to read as
10 follows:

11 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

12	<u>General Fund--Federal Appropriation</u>	<u>\$267,000</u>
13	<u>General Fund--Private/Local Appropriation</u>	<u>\$5,547,000</u>
14	Public Service Revolving Account--State	
15	Appropriation	<u>((\$31,306,000)</u>
16		<u>\$31,200,000</u>
17	Pipeline Safety Account--State Appropriation	<u>((\$3,194,000)</u>
18		<u>\$3,187,000</u>
19	Pipeline Safety Account--Federal Appropriation	<u>((\$1,536,000)</u>
20		<u>\$1,518,000</u>
21	TOTAL APPROPRIATION	<u>((\$36,036,000)</u>
22		<u>\$41,719,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations: Pursuant to RCW 43.135.055, the commission
25 is authorized to increase solid waste regulatory fees to the extent
26 necessary to raise \$100,000 in fiscal year 2011 for enforcement
27 activities under RCW 81.77.080.

28 **Sec. 148.** 2010 c 3 s 111 (uncodified) is amended to read as
29 follows:

30 **FOR THE MILITARY DEPARTMENT**

31	General Fund--State Appropriation (FY 2010)	<u>((\$10,084,000)</u>
32		<u>\$9,350,000</u>
33	General Fund--State Appropriation (FY 2011)	<u>((\$10,190,000)</u>
34		<u>\$8,874,000</u>
35	General Fund--Federal Appropriation	<u>((\$149,101,000)</u>
36		<u>\$168,599,000</u>

1 earthquake. The military department shall submit a report
2 (~~quarterly~~) to the office of financial management and the legislative
3 fiscal committees on October 1st and February 1st of each year
4 detailing earthquake recovery costs, including: (a) Estimates of total
5 costs; (b) incremental changes from the previous estimate; (c) actual
6 expenditures; (d) estimates of total remaining costs to be paid; and
7 (e) estimates of future payments by biennium. This information shall
8 be displayed by fund, by type of assistance, and by amount paid on
9 behalf of state agencies or local organizations. The military
10 department shall also submit a report quarterly to the office of
11 financial management and the legislative fiscal committees detailing
12 information on the Nisqually earthquake account, including: (a) The
13 amount and type of deposits into the account; (b) the current available
14 fund balance as of the reporting date; and (c) the projected fund
15 balance at the end of the 2009-2011 biennium based on current revenue
16 and expenditure patterns.

17 (3) \$85,000,000 of the general fund--federal appropriation is
18 provided solely for homeland security, subject to the following
19 conditions:

20 (a) Any communications equipment purchased by local jurisdictions
21 or state agencies shall be consistent with standards set by the
22 Washington state interoperability executive committee; and

23 (b) The department shall submit (~~a quarterly~~) an annual report to
24 the office of financial management and the legislative fiscal
25 committees detailing the governor's domestic security advisory group
26 recommendations; homeland security revenues and expenditures, including
27 estimates of total federal funding for the state; and incremental
28 changes from the previous estimate (~~7-planned-and-actual-homeland~~
29 ~~security-expenditures-by-the-state-and-local-governments-with-this~~
30 ~~federal-funding; and matching or accompanying state or local~~
31 ~~expenditures; and~~

32 (~~c) The department shall submit a report by December 1st of each~~
33 ~~year to the office of financial management and the legislative fiscal~~
34 ~~committees detailing homeland security revenues and expenditures for~~
35 ~~the previous fiscal year by county and legislative district)).~~

36 (4) \$500,000 of the general fund--state appropriation for fiscal
37 year 2010 (~~and \$500,000 of the general fund state appropriation for~~
38 ~~fiscal year 2011 are~~) is provided solely for the military department

1 to contract with the Washington information network 2-1-1 to operate a
2 statewide 2-1-1 system. The department shall provide the entire amount
3 for 2-1-1 and ((shall)) may not use any of the funds for administrative
4 purposes.

5 **Sec. 149.** 2009 c 564 s 149 (uncodified) is amended to read as
6 follows:

7 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
8 Volunteer Firefighters' and Reserve Officers'
9 Administrative Account--State Appropriation ((~~\$1,044,000~~))
10 \$1,052,000

11 **Sec. 150.** 2009 c 564 s 152 (uncodified) is amended to read as
12 follows:

13 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**
14 General Fund--State Appropriation (FY 2010) ((~~\$3,128,000~~))
15 \$2,667,000
16 General Fund--State Appropriation (FY 2011) ((~~\$3,130,000~~))
17 \$2,635,000
18 Higher Education Personnel Services Account--State
19 Appropriation \$250,000
20 Department of Personnel Service Account--State
21 Appropriation ((~~\$3,290,000~~))
22 \$3,263,000
23 TOTAL APPROPRIATION ((~~\$9,548,000~~))
24 \$8,815,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$50,000 of the general fund--state
27 appropriation for fiscal year 2011 is provided solely for
28 implementation of Engrossed Substitute Senate Bill No. 6726 (language
29 access provider bargaining).

30 **Sec. 151.** 2010 c 3 s 112 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**
33 General Fund--State Appropriation (FY 2010) \$1,371,000
34 General Fund--State Appropriation (FY 2011) ((~~\$1,349,000~~))
35 \$1,382,000

1 TOTAL APPROPRIATION ((\$117,122,000))
2 \$116,821,000

(End of part)

1 (WMIP), the department may combine and transfer such medicaid funds
2 appropriated under sections 204, 206, 208, and 209 of this act as may
3 be necessary to finance a unified health care plan for the WMIP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county, during the
6 2009-2011 biennium. The amount of funding assigned to the pilot
7 projects from each program may not exceed the average per capita cost
8 assumed in this act for individuals covered by that program,
9 actuarially adjusted for the health condition of persons enrolled in
10 the pilot project, times the number of clients enrolled in the pilot
11 project. In implementing the WMIP pilot projects, the department may:
12 (a) Withhold from calculations of "available resources" as set forth in
13 RCW 71.24.025 a sum equal to the capitated rate for individuals
14 enrolled in the pilots; and (b) employ capitation financing and risk-
15 sharing arrangements in collaboration with health care service
16 contractors licensed by the office of the insurance commissioner and
17 qualified to participate in both the medicaid and medicare programs.
18 The department shall conduct an evaluation of the WMIP, measuring
19 changes in participant health outcomes, changes in patterns of service
20 utilization, participant satisfaction, participant access to services,
21 and the state fiscal impact.

22 (5)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, 2010, unless
25 specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year 2010 among programs
27 after approval by the director of financial management. However, the
28 department shall not transfer state moneys that are provided solely for
29 a specified purpose except as expressly provided in (b) of this
30 subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year 2010
33 caseload forecasts and utilization assumptions in the medical
34 assistance, long-term care, foster care, adoptions support, and child
35 support programs, the department may transfer state moneys that are
36 provided solely for a specified purpose. The department shall not
37 transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

1 objective of conserving, to the maximum extent possible, the
2 expenditure of state funds. The director of financial management shall
3 notify the appropriate fiscal committees of the senate and house of
4 representatives in writing seven days prior to approving any allotment
5 modifications or transfers under this subsection. The written
6 notification shall include a narrative explanation and justification of
7 the changes, along with expenditures and allotments by budget unit and
8 appropriation, both before and after any allotment modifications or
9 transfers.

10 (6) The legislature finds that medicaid payment rates, as
11 calculated by the department pursuant to the appropriations in this
12 act, bear a reasonable relationship to the costs incurred by
13 efficiently and economically operated facilities for providing quality
14 services and will be sufficient to enlist enough providers so that care
15 and services are available to the extent that such care and services
16 are available to the general population in the geographic area. The
17 legislature finds that cost reports, payment data from the federal
18 government, historical utilization, economic data, and clinical input
19 constitute reliable data upon which to determine the payment rates.

20 (7) With the objective of improving and enhancing the efficiency
21 and effectiveness of the audit and oversight program, the department
22 shall identify streamlining opportunities in the areas described in (a)
23 through (d) of this subsection. The goals of these activities are to
24 leverage department resources to better fulfill the obligations of all
25 aspects of audit and oversight programs in an era of resource
26 constraints and to assure that the burden of audits and other oversight
27 activities on the state's businesses, organizations, and individuals is
28 as minimal as practical.

29 (a) The department shall complete an assessment of expanding the
30 use of technology and automated data matches for identification and
31 recovery of third party resources, including data matches with pharmacy
32 benefit managers (PBM). The department shall submit a report to the
33 governor and the relevant fiscal and policy committees of the
34 legislature by September 1, 2010, that identifies resources needed to
35 implement the enhanced data matching capability and the actions and
36 timelines necessary for implementation of automated production data
37 matching capability.

1 (b) The department shall complete a comprehensive review of
2 multiple licensing and certification reviews, onsite surveys, and
3 contract oversight obligations that require provider site visits or
4 require provider response. The department shall identify all related
5 oversight and review activities and identify opportunities for
6 consolidation of multiple clinical and business management review
7 activities as appropriate with a view to minimizing the cost of both
8 conducting and receiving the audits or other review or oversight
9 activities.

10 (c) The department shall expand its provider audit capacity through
11 its provider one payment system. The department shall identify
12 medicaid payment system enhancements that will maximize new technical
13 capabilities. The department shall explore new technical capabilities
14 of its fraud and abuse detection system to identify more efficient ways
15 to correlate audit efforts to the levels of risk and materiality.
16 Results of focused audits must be used to enhance educational
17 materials. The department shall report to the governor and legislature
18 by December 1, 2010, on the status of developing this audit capacity.

19 (d) The department shall conduct a review and assessment of audit
20 processes and timeframes. The department shall review audit outcomes
21 from the past three fiscal years and will concentrate on identifying
22 opportunities to shorten timeframes between the various stages of an
23 audit, including the letter of intent to audit, records collection to
24 issuance of the draft audit, dispute resolution activities, issuance of
25 the final audit, and administrative hearings. The department shall
26 initiate a provider outreach and education program to include
27 communication materials that clearly identify expectations of the
28 department and the provider being audited. The department must develop
29 and publish an orientation to medicaid audits publication by October 1,
30 2010, that includes audit requirements, expectations of providers and
31 the department, and associated timelines. The department shall report
32 to the governor and relevant policy and fiscal committees of the
33 legislature by December 1, 2010, on the status of these activities.

34 **Sec. 202.** 2010 c 3 s 201 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**

1 (~~(3)~~ - \$375,000) (2) \$369,000 of the general fund--state
2 appropriation for fiscal year 2010, (~~(\$375,000)~~) \$366,000 of the
3 general fund--state appropriation for fiscal year 2011, and
4 (~~(\$322,000)~~) \$316,000 of the general fund--federal appropriation are
5 provided solely for up to three nonfacility-based programs for the
6 training, consultation, support, and recruitment of biological, foster,
7 and adoptive parents of children through age three in need of special
8 care as a result of substance abuse by their mothers, except that each
9 program may serve up to three medically fragile nonsubstance-abuse-
10 affected children. In selecting nonfacility-based programs, preference
11 shall be given to programs whose federal or private funding sources
12 have expired or that have successfully performed under the existing
13 pediatric interim care program.

14 (~~(4)~~) (3) \$2,500,000 of the general fund--state appropriation for
15 fiscal year 2010 and (~~(\$2,500,000)~~) \$93,000 of the general fund--state
16 appropriation for fiscal year 2011, and \$2,407,000 of the home security
17 fund--state appropriation are provided solely for secure crisis
18 residential centers. Within appropriated amounts, the department shall
19 collaborate with providers to maintain no less than forty-five beds
20 that are geographically representative of the state. The department
21 shall examine current secure crisis residential staffing requirements,
22 flexible payment options, center specific waivers, and other
23 appropriate methods to accomplish this outcome.

24 (~~(5)~~) (4) A maximum of (~~(\$76,831,000)~~) \$73,209,000 of the general
25 fund--state appropriations and (~~(\$56,901,000)~~) \$54,596,000 of the
26 general fund--federal appropriations for the 2009-11 biennium shall be
27 expended for behavioral rehabilitative services and these amounts are
28 provided solely for this purpose. The department shall work with
29 behavioral rehabilitative service providers to safely keep youth with
30 emotional, behavioral, or medical needs at home, with relatives, or
31 with other permanent placement resources and decrease the length of
32 (~~(stay)~~) service through improved emotional, behavioral, or medical
33 outcomes for children in behavioral rehabilitative services in order to
34 achieve the appropriated levels.

35 (a) Contracted providers shall act in good faith and accept the
36 hardest to (~~(place)~~) serve children, to the greatest extent possible,
37 in order to improve their emotional, behavioral, or medical conditions.

1 (b) The department and the contracted provider shall mutually agree
2 and establish an exit date for when the child is to exit the behavioral
3 rehabilitative service provider. The department and the contracted
4 provider should mutually agree, to the greatest extent possible, on a
5 viable placement for the child to go to once the child's treatment
6 process has been completed. The child shall exit only when the
7 emotional, behavioral, or medical condition has improved or if the
8 provider has not shown progress toward the outcomes specified in the
9 signed contract at the time of exit. This subsection (b) does not
10 prevent or eliminate the department's responsibility for removing the
11 child from the provider if the child's emotional, behavioral, or
12 medical condition worsens or is threatened.

13 (c) The department is encouraged to use performance-based contracts
14 with incentives directly tied to outcomes described in this section.
15 The contracts should incentivize contracted providers to accept the
16 hardest to ~~((place))~~ serve children and incentivize improvement in
17 children's emotional, mental, and medical well-being within the
18 established exit date. The department is further encouraged to
19 increase the use of behavioral rehabilitative service group homes, wrap
20 around services to facilitate and support placement of youth at home
21 with relatives, or other permanent resources, and other means to
22 control expenditures.

23 (d) The total foster care per capita amount shall not increase more
24 than four percent in the 2009-11 biennium and shall not include
25 behavioral rehabilitative service.

26 ~~((+6))~~ (5) Within amounts provided for the foster care and
27 adoption support programs, the department shall control reimbursement
28 decisions for foster care and adoption support cases such that the
29 aggregate average cost per case for foster care and for adoption
30 support does not exceed the amounts assumed in the projected caseload
31 expenditures.

32 ~~((+7) - Within - amounts - appropriated - in - this - section,))~~ (6)
33 \$14,460,000 of the general fund--state appropriation for fiscal year
34 2011 and \$6,231,000 of the general fund--federal appropriation are
35 provided solely for the department to provide contracted prevention and
36 early intervention services. The legislature recognizes the need for
37 flexibility as the department transitions to performance-based
38 contracts. The following services are included in the prevention and

1 early intervention block grant: Crisis family intervention services,
2 family preservation services, intensive family preservation services,
3 evidence-based programs, public health nurses, and early family support
4 services. The legislature intends for the department to maintain and
5 build on existing evidence-based and research-based programs with the
6 goal of utilizing contracted prevention and intervention services to
7 keep children safe at home and to safely reunify families. Priority
8 shall be given to proven intervention models, including evidence-based
9 prevention and early intervention programs identified by the Washington
10 state institute for public policy and the department. The department
11 shall include information on the number, type, and outcomes of the
12 evidence-based programs being implemented in its reports on child
13 welfare reform efforts and shall provide the legislature and governor
14 a report regarding the allocation of resources in this subsection by
15 September 30, 2010. The department shall expend federal funds under
16 this subsection in compliance with federal regulations.

17 ~~((+8) — \$37,000))~~ (7) \$36,000 of the general fund--state
18 appropriation for fiscal year 2010, ~~(((\$37,000))~~ \$36,000 of the general
19 fund--state appropriation for fiscal year 2011, and ~~(((\$32,000))~~ \$31,000
20 of the general fund--federal appropriation are provided solely for the
21 implementation of chapter 465, Laws of 2007 (child welfare).

22 ~~((+9))~~ (8) \$125,000 of the general fund--state appropriation for
23 fiscal year 2010 and \$125,000 of the general fund--state appropriation
24 for fiscal year 2011 are provided solely for continuum of care
25 services. \$100,000 of this amount is for Casey family partners and
26 \$25,000 of this amount is for volunteers of America crosswalk in fiscal
27 year 2010. \$100,000 of this amount is for Casey family partners and
28 \$25,000 of this amount is for volunteers of America crosswalk in fiscal
29 year 2011.

30 ~~((+10) — \$616,000))~~ (9) \$1,904,000 of the general fund--state
31 appropriation for fiscal year 2010, ~~(((\$616,000))~~ \$1,832,000 of the
32 general fund--state appropriation for fiscal year 2011, and
33 ~~(((\$368,000))~~ \$357,000 of the general fund--federal appropriation are
34 provided solely to contract with medical professionals for
35 comprehensive safety assessments of high-risk families and for foster
36 care assessments. The safety assessments will use validated assessment
37 tools to guide intervention decisions through the identification of
38 additional safety and risk factors. ~~(((\$800,000 of this amount is for))~~

1 The department will maintain the availability of comprehensive foster
2 care assessments and follow up services for children in out-of-home
3 care who do not have permanent plans, comprehensive safety assessments
4 for families receiving in-home child protective services or family
5 voluntary services (~~(.---\$800,000 -- of -- this -- amount -- is -- for)~~), and
6 comprehensive safety assessments (~~(of)~~) for families with an infant age
7 birth to fifteen days where the infant was, at birth, diagnosed as
8 substance exposed and the department received an intake referral
9 related to the infant due to the substance exposure. The department
10 must consolidate contracts, streamline administration, and explore
11 efficiencies to achieve savings.

12 (~~((11)---\$7,970,000))~~ (10) \$7,679,000 of the general fund--state
13 appropriation for fiscal year 2010, (~~((\$7,711,000))~~) \$6,643,000 of the
14 general fund--state appropriation for fiscal year 2011, and
15 (~~((\$5,177,000))~~) \$4,971,000 of the general fund--federal appropriation
16 are provided solely for court-ordered supervised visits between parents
17 and dependent children and for sibling visits. The department shall
18 work collaboratively with the juvenile dependency courts and revise the
19 supervised visit reimbursement procedures to stay within appropriations
20 without impeding reunification outcomes between parents and dependent
21 children. The department shall report to the legislative fiscal
22 committees (~~(quarterly)~~) on September 30, 2010, and December 30, 2010,
23 the number of children in foster care who receive supervised visits,
24 their frequency, length of time of each visit, and whether
25 reunification is attained.

26 (~~((12)---\$1,789,000))~~ (11) \$145,000 of the general fund--state
27 appropriation for fiscal year 2010, \$871,000 of the general fund--state
28 appropriation for fiscal year 2011, and \$773,000 of the home security
29 fund--state appropriation is provided solely for street youth program
30 services.

31 (~~((13)---\$1,584,000))~~ (12) \$1,522,000 of the general fund--state
32 appropriation for fiscal year 2010, (~~((\$1,584,000))~~) \$1,340,000 of the
33 general fund--state appropriation for fiscal year 2011, and
34 (~~((\$1,586,000))~~) \$1,464,000 of the general fund--federal appropriation
35 are provided solely for the department to recruit foster parents. The
36 recruitment efforts shall include collaborating with community-based
37 organizations and current or former foster parents to recruit foster
38 parents.

1 ~~((14))~~ (13) \$493,000 of the general fund--state appropriation for
2 fiscal year 2010, \$303,000 of the general fund--state appropriation for
3 fiscal year 2011, \$466,000 of the general fund--private/local
4 appropriation, and \$725,000 of the education legacy trust account--
5 state appropriation ~~((is))~~ are provided solely for children's
6 administration to contract with an educational advocacy provider with
7 expertise in foster care educational outreach. Funding is provided
8 solely for contracted education coordinators to assist foster children
9 in succeeding in K-12 and higher education systems. Funding shall be
10 prioritized to regions with high numbers of foster care youth and/or
11 regions where backlogs of youth that have formerly requested
12 educational outreach services exist. The department shall utilize
13 private matching funds to maintain educational advocacy services.

14 ~~((15)-\$1,300,000))~~ (14) \$1,677,000 of the home security fund
15 account--state appropriation is provided solely for HOPE beds.

16 ~~((16)-\$5,300,000))~~ (15) \$5,193,000 of the home security fund
17 account--state appropriation is provided solely for the crisis
18 residential centers.

19 ~~((17))~~ (16) The appropriations in this section reflect reductions
20 in the appropriations for the children's administration administrative
21 expenses. It is the intent of the legislature that these reductions
22 shall be achieved, to the greatest extent possible, by reducing those
23 administrative costs that do not affect direct client services or
24 direct service delivery or programs.

25 ~~((18))~~ (17) Within the amounts appropriated in this section, the
26 department shall contract for a pilot project with family and community
27 networks in Whatcom county and up to four additional counties to
28 provide services. The pilot project shall be designed to provide a
29 continuum of services that reduce out-of-home placements and the
30 lengths of stay for children in out-of-home placement. The department
31 and the community networks shall collaboratively select the additional
32 counties for the pilot project and shall collaboratively design the
33 contract. Within the framework of the pilot project, the contract
34 shall seek to maximize federal funds. The pilot project in each county
35 shall include the creation of advisory and management teams which
36 include members from neighborhood-based family advisory committees,
37 residents, parents, youth, providers, and local and regional department
38 staff. The Whatcom county team shall facilitate the development of

1 outcome-based protocols and policies for the pilot project and develop
2 a structure to oversee, monitor, and evaluate the results of the pilot
3 projects. The department shall report the costs and savings of the
4 pilot project to the appropriate committees of the legislature by
5 November 1 of each year.

6 ~~((+19))~~ (18) \$157,000 of the general fund--state appropriation for
7 fiscal year 2010 and \$157,000 of the general fund--state appropriation
8 for fiscal year 2011 are provided solely for the department to contract
9 with a nonprofit entity for a reunification pilot project in Whatcom
10 and Skagit counties. The contract for the reunification pilot project
11 shall include a rate of \$46.16 per hour for evidence-based
12 interventions, in combination with supervised visits, to provide 3,564
13 hours of services to reduce the length of stay for children in the
14 child welfare system. The contract shall also include evidence-based
15 intensive parenting skills building services and family support case
16 management services for 38 families participating in the reunification
17 pilot project. The contract shall include the flexibility for the
18 nonprofit entity to subcontract with trained providers.

19 ~~((+20))~~ (19) \$303,000 of the general fund--state appropriation for
20 fiscal year 2010, \$418,000 of the general fund--state appropriation for
21 fiscal year 2011, and \$257,000 of the general fund--federal
22 appropriation are provided solely to implement Engrossed Substitute
23 House Bill No. 1961 (increasing adoptions act). If the bill is not
24 enacted by June 30, 2009, the amounts provided in this subsection shall
25 lapse.

26 ~~((+21) - \$100,000)~~ (20) \$98,000 of the general fund--state
27 appropriation for fiscal year 2010 and ~~((+\$100,000))~~ \$98,000 of the
28 general fund--state appropriation for fiscal year 2011 are provided
29 solely for the department to contract with an agency that is working in
30 partnership with, and has been evaluated by, the University of
31 Washington school of social work to implement promising practice
32 constellation hub models of foster care support.

33 ~~((+22))~~ (21) The legislature intends for the department to reduce
34 the time a child remains in the child welfare system. The department
35 shall establish a measurable goal and report progress toward meeting
36 that goal to the legislature by January 15 of each fiscal year of the
37 2009- 11 fiscal biennium. To the extent that actual caseloads exceed

1 those assumed in this section, it is the intent of the legislature to
2 address those issues in a manner similar to all other caseload
3 programs.

4 (22) \$715,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$715,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for services provided through
7 children's advocacy centers.

8 (23) \$11,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$3,000 of the general fund--federal appropriation are
10 provided solely for implementation of chapter 224, Laws of 2010
11 (confinement alternatives). If the bill is not enacted by June 30,
12 2010, the amounts provided in this subsection shall lapse.

13 (24) \$1,867,000 of the general fund--state appropriation for fiscal
14 year 2010, \$1,790,000 of the general fund--state appropriation for
15 fiscal year 2011, and \$4,673,000 of the general fund--federal
16 appropriation are provided solely for the department to contract for
17 medicaid treatment child care (MTCC) services. Children's
18 administration case workers, local public health nurses and case
19 workers from the temporary assistance for needy families program shall
20 refer children to MTCC services, as long as the children meet the
21 eligibility requirements as outlined in the Washington state plan for
22 the MTCC services.

23 (25) The department shall contract for at least one pilot project
24 with adolescent services providers to deliver a continuum of short-term
25 crisis stabilization services. The pilot project shall include
26 adolescent services provided through secure crisis residential centers,
27 crisis residential centers, and hope beds. The department shall work
28 with adolescent service providers to maintain availability of
29 adolescent services and maintain the delivery of services in a
30 geographically representative manner. The department shall examine
31 current staffing requirements, flexible payment options, center-
32 specific licensing waivers, and other appropriate methods to achieve
33 savings and streamline the delivery of services. The legislature
34 intends for the pilot project to provide flexibility to the department
35 to improve outcomes and to achieve more efficient utilization of
36 existing resources, while meeting the statutory goals of the adolescent
37 services programs. The department shall provide an update to the

1 appropriate legislative committees and governor on the status of the
2 pilot project implementation by December 1, 2010.

3 (26) To ensure expenditures remain within available funds
4 appropriated in this section as required by RCW 74.13A.005 and
5 74.13A.020, the secretary shall not set the amount of any adoption
6 assistance payment or payments, made pursuant to RCW 26.33.320 and
7 74.13A.005 through 74.13A.080, to more than ninety percent of the
8 foster care maintenance payment for that child had he or she remained
9 in a foster family home during the same period. This subsection does
10 not apply to adoption assistance agreements in existence on the
11 effective date of this section.

12 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited
13 into the prostitution prevention and intervention account for services
14 provided to sexually exploited children as defined in RCW 13.32A.030 in
15 secure and semi-secure crisis residential centers with access to staff
16 trained to meet their specific needs shall be used to expand capacity
17 for secure crisis residential centers and not supplant existing
18 funding.

19 **Sec. 203.** 2010 c 3 s 202 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
22 **REHABILITATION PROGRAM**

23	General Fund--State Appropriation (FY 2010)	((\$104,185,000))
24		<u>\$103,437,000</u>
25	General Fund--State Appropriation (FY 2011)	((\$92,392,000))
26		<u>\$97,761,000</u>
27	General Fund--Federal Appropriation	((\$6,565,000))
28		<u>\$1,715,000</u>
29	General Fund--Private/Local Appropriation	((\$1,900,000))
30		<u>\$1,899,000</u>
31	Washington Auto Theft Prevention Authority Account--	
32	State Appropriation	\$3,896,000
33	Juvenile Accountability Incentive Account--Federal	
34	Appropriation	((\$2,801,000))
35		<u>\$2,805,000</u>
36	<u>State Efficiency and Restructuring Account--State</u>	
37	<u>Appropriation</u>	<u>\$4,958,000</u>

1 TOTAL APPROPRIATION ((~~\$211,739,000~~))
2 \$216,471,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) \$353,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$353,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for deposit in the county criminal
8 justice assistance account for costs to the criminal justice system
9 associated with the implementation of chapter 338, Laws of 1997
10 (juvenile code revisions). The amounts provided in this subsection are
11 intended to provide funding for county adult court costs associated
12 with the implementation of chapter 338, Laws of 1997 and shall be
13 distributed in accordance with RCW 82.14.310.

14 (2) ((~~\$3,578,000~~)) \$3,408,000 of the general fund--state
15 appropriation for fiscal year 2010 and ((~~\$3,578,000~~)) \$2,898,000 of the
16 general fund--state appropriation for fiscal year 2011 are provided
17 solely for the implementation of chapter 338, Laws of 1997 (juvenile
18 code revisions). The amounts provided in this subsection are intended
19 to provide funding for county impacts associated with the
20 implementation of chapter 338, Laws of 1997 and shall be distributed to
21 counties as prescribed in the current consolidated juvenile services
22 (CJS) formula.

23 (3) \$3,716,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$3,716,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to implement community juvenile
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
27 code revisions). Funds provided in this subsection may be used solely
28 for community juvenile accountability grants, administration of the
29 grants, and evaluations of programs funded by the grants.

30 (4) ((~~\$1,506,000~~)) \$1,427,000 of the general fund--state
31 appropriation for fiscal year 2010 and ((~~\$1,506,000~~)) \$1,206,000 of the
32 general fund--state appropriation for fiscal year 2011 are provided
33 solely to implement alcohol and substance abuse treatment programs for
34 locally committed offenders. The juvenile rehabilitation
35 administration shall award these moneys on a competitive basis to
36 counties that submitted a plan for the provision of services approved
37 by the division of alcohol and substance abuse. The juvenile

1 rehabilitation administration shall develop criteria for evaluation of
2 plans submitted and a timeline for awarding funding and shall assist
3 counties in creating and submitting plans for evaluation.

4 (5) \$3,066,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$3,066,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for grants to county juvenile
7 courts for the following programs identified by the Washington state
8 institute for public policy (institute) in its October 2006 report:
9 "Evidence-Based Public Policy Options to Reduce Future Prison
10 Construction, Criminal Justice Costs and Crime Rates": Functional
11 family therapy, multi-systemic therapy, aggression replacement training
12 and interagency coordination programs, or other programs with a
13 positive benefit-cost finding in the institute's report. County
14 juvenile courts shall apply to the juvenile rehabilitation
15 administration for funding for program-specific participation and the
16 administration shall provide grants to the courts consistent with the
17 per-participant treatment costs identified by the institute.

18 (6) \$1,287,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,287,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for expansion of the following
21 treatments and therapies in juvenile rehabilitation administration
22 programs identified by the Washington state institute for public policy
23 in its October 2006 report: "Evidence-Based Public Policy Options to
24 Reduce Future Prison Construction, Criminal Justice Costs and Crime
25 Rates": Multidimensional treatment foster care, family integrated
26 transitions, and aggression replacement training. The administration
27 may concentrate delivery of these treatments and therapies at a limited
28 number of programs to deliver the treatments in a cost-effective
29 manner.

30 (7)(a) (~~For the fiscal year ending June 30, 2010, the juvenile~~
31 ~~rehabilitation administration shall administer a block grant, rather~~
32 ~~than categorical funding, of consolidated juvenile service funds,~~
33 ~~community juvenile accountability act grants, the chemical dependency~~
34 ~~disposition alternative funds, the special sex offender disposition~~
35 ~~alternative funds, the mental health disposition alternative,~~
36 ~~sentencing disposition alternative, and evidence based program~~
37 ~~expansion grants to juvenile courts for the purpose of serving youth~~
38 ~~adjudicated in the juvenile justice system. Evidence based programs,~~

1 based on the criteria established by the Washington state institute for
2 public policy, and disposition alternatives will be funding priorities.
3 Funds may be used for promising practices when approved by juvenile
4 rehabilitation administration, based on criteria established in
5 consultation with Washington state institute for public policy and the
6 juvenile courts.

7 By September 1, 2009, a committee with four members, in
8 consultation with Washington state institute for public policy, shall
9 develop a funding formula that takes into account the juvenile courts
10 average daily population of program eligible youth in conjunction with
11 the number of youth served in each approved evidence based program or
12 disposition alternative. The committee shall have one representative
13 from the juvenile rehabilitation administration, one representative
14 from the office of financial management, one representative from the
15 office of the administrator of the courts, and one representative from
16 the juvenile courts. Decision making will be by majority rule.

17 By September 1, 2010, the Washington state institute for public
18 policy shall provide a report to the office of financial management and
19 the legislature on the administration of the block grant authorized in
20 this subsection. The report shall include the criteria used for
21 allocating the funding as a block grant and the participation targets
22 and actual participation in the programs subject to the block grant.

23 (b) By December 1, 2009, the committee established in (a) of this
24 subsection, in consultation with Washington state institute for public
25 policy, shall propose to the office of financial management and the
26 legislature changes in the process of funding and managing, including
27 accountability and information collection and dissemination, grants to
28 juvenile courts for serving youth adjudicated in the juvenile court
29 system use in the fiscal year ending June 30, 2011. The proposal shall
30 include, but is not limited to: A process of making a block grant of
31 funds consistent with (a) of this subsection; a program of data
32 collection and measurement criteria for receiving the funds which will
33 include targets of the number of youth served in identified evidence
34 based programs and disposition alternatives in which the juvenile
35 courts and office of the administrator of the courts will have
36 responsibility for collecting and distributing information and
37 providing access to the data systems to the juvenile rehabilitation

1 ~~administration and the Washington state institute for public policy~~
2 ~~related to program and outcome data; and necessary changes to the~~
3 ~~Washington administrative code.~~

4 (c) ~~Within the funds provided for criminal justice analysis in~~
5 ~~section 610(4) of this act, the Washington state institute for public~~
6 ~~policy shall conduct an analysis of the costs per participant of~~
7 ~~evidence based programs by the juvenile courts and by December 1, 2009,~~
8 ~~shall report the results of this analysis to the juvenile~~
9 ~~rehabilitation administration, the juvenile courts, office of the~~
10 ~~administrator of the courts, the office of financial management, and~~
11 ~~the fiscal committees of the legislature)) For the fiscal year ending
12 June 30, 2011, the juvenile rehabilitation administration shall
13 administer a block grant, rather than categorical funding, of
14 consolidated juvenile service funds, community juvenile accountability
15 act grants, the chemical dependency disposition alternative funds, the
16 mental health disposition alternative, and the sentencing disposition
17 alternative for the purpose of serving youth adjudicated in the
18 juvenile justice system. In making the block grant, the juvenile
19 rehabilitation administration shall follow the following formula and
20 will prioritize evidence-based programs and disposition alternatives
21 and take into account juvenile courts program-eligible youth in
22 conjunction with the number of youth served in each approved evidence-
23 based program or disposition alternative: (i) Thirty-seven and one-
24 half percent for the at-risk population of youth ten to seventeen years
25 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
26 twenty-five percent for evidence-based program participation; (iv)
27 seventeen and one-half percent for minority populations; (v) three
28 percent for the chemical dependency disposition alternative; and (vi)
29 two percent for the mental health and sentencing dispositional
30 alternatives. Funding for the special sex offender disposition
31 alternative (SSODA) shall not be included in the block grant, but
32 allocated on the average daily population in juvenile courts. Funding
33 for the evidence-based expansion grants shall be excluded from the
34 block grant formula. Funds may be used for promising practices when
35 approved by the juvenile rehabilitation administration and juvenile
36 courts, through the community juvenile accountability act committee,
37 based on the criteria established in consultation with Washington state
38 institute for public policy and the juvenile courts.~~

1 (b) It is the intent of the legislature that the juvenile
2 rehabilitation administration phase the implementation of the formula
3 provided in subsection (1) of this section by including a stop-loss
4 formula of three percent in fiscal year 2011, five percent in fiscal
5 year 2012, and five percent in fiscal year 2013. It is further the
6 intent of the legislature that the evidence-based expansion grants be
7 incorporated into the block grant formula by fiscal year 2013 and SSODA
8 remain separate unless changes would result in increasing the cost
9 benefit savings to the state as identified in (c) of this subsection.

10 (c) The juvenile rehabilitation administration and the juvenile
11 courts shall establish a block grant funding formula oversight
12 committee with equal representation from the juvenile rehabilitation
13 administration and the juvenile courts. The purpose of this committee
14 is to assess the ongoing implementation of the block grant funding
15 formula, utilizing data-driven decision making and the most current
16 available information. The committee will be cochaired by the juvenile
17 rehabilitation administration and the juvenile courts, who will also
18 have the ability to change members of the committee as needed to
19 achieve its purpose. Initial members will include one juvenile court
20 representative from the finance committee, the community juvenile
21 accountability act committee, the risk assessment quality assurance
22 committee, the executive board of the Washington association of
23 juvenile court administrators, the Washington state center for court
24 research, and a representative of the superior court judges
25 association; two representatives from the juvenile rehabilitation
26 administration headquarters program oversight staff, two
27 representatives of the juvenile rehabilitation administration regional
28 office staff, one representative of the juvenile rehabilitation
29 administration fiscal staff and a juvenile rehabilitation
30 administration division director. The committee may make changes to
31 the formula categories other than the evidence-based program and
32 disposition alternative categories if it is determined the changes will
33 increase statewide service delivery or effectiveness of evidence-based
34 program or disposition alternative resulting in increased cost benefit
35 savings to the state. Long-term cost benefit must be considered.
36 Percentage changes may occur in the evidence-based program or
37 disposition alternative categories of the formula should it be
38 determined the changes will increase evidence-based program or

1 disposition alternative delivery and increase the cost benefit to the
2 state. These outcomes will also be considered in determining when
3 evidence-based expansion or special sex offender disposition
4 alternative funds should be included in the block grant or left
5 separate.

6 (d) The juvenile courts and administrative office of the courts
7 shall be responsible for collecting and distributing information and
8 providing access to the data systems to the juvenile rehabilitation
9 administration and the Washington state institute for public policy
10 related to program and outcome data. The juvenile rehabilitation
11 administration and the juvenile courts will work collaboratively to
12 develop program outcomes that reinforce the greatest cost benefit to
13 the state in the implementation of evidence-based practices and
14 disposition alternatives.

15 (e) By December 1, 2010, the Washington state institute for public
16 policy shall report to the office of financial management and
17 appropriate committees of the legislature on the administration of the
18 block grant authorized in this subsection. The report shall include
19 the criteria used for allocating the funding as a block grant and the
20 participation targets and actual participation in the programs subject
21 to the block grant.

22 (8) \$3,700,000 of the Washington auto theft prevention authority
23 account--state appropriation is provided solely for competitive grants
24 to community-based organizations to provide at-risk youth intervention
25 services, including but not limited to, case management, employment
26 services, educational services, and street outreach intervention
27 programs. Projects funded should focus on preventing, intervening, and
28 suppressing behavioral problems and violence while linking at-risk
29 youth to pro-social activities. The department may not expend more
30 than \$1,850,000 per fiscal year. The costs of administration must not
31 exceed four percent of appropriated funding for each grant recipient.
32 Each entity receiving funds must report to the juvenile rehabilitation
33 administration on the number and types of youth served, the services
34 provided, and the impact of those services upon the youth and the
35 community.

36 (9) The appropriations in this section assume savings associated
37 with the transfer of youthful offenders age eighteen or older whose
38 sentences extend beyond age twenty-one to the department of corrections

1 to complete their sentences. Prior to transferring an offender to the
2 department of corrections, the juvenile rehabilitation administration
3 shall evaluate the offender to determine the offender's physical and
4 emotional suitability for transfer.

5 **Sec. 204.** 2010 c 3 s 203 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
8 **PROGRAM**

9 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

10 General Fund--State Appropriation (FY 2010)	((\$266,677,000))
	<u>\$273,648,000</u>
12 General Fund--State Appropriation (FY 2011)	((\$296,619,000))
	<u>\$278,530,000</u>
14 General Fund--Federal Appropriation	((\$463,180,000))
	<u>\$519,456,000</u>
16 General Fund--Private/Local Appropriation	((\$14,868,000))
	<u>\$16,674,000</u>
18 <u>Hospital Safety Net Assessment Fund--State</u>	
19 <u>Appropriation</u>	<u>\$3,476,000</u>
20 TOTAL APPROPRIATION	((\$1,041,344,000))
	<u>\$1,091,784,000</u>

22 The appropriations in this subsection are subject to the following
23 conditions and limitations:

24 (a) \$113,689,000 of the general fund--state appropriation for
25 fiscal year 2010 and \$113,689,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely for persons and
27 services not covered by the medicaid program. This is a reduction of
28 \$11,606,000 each fiscal year from the nonmedicaid funding that was
29 allocated for expenditure by regional support networks during fiscal
30 year 2009 prior to supplemental budget reductions. This \$11,606,000
31 reduction shall be distributed among regional support networks
32 proportional to each network's share of the total state population. To
33 the extent possible, levels of regional support network spending shall
34 be maintained in the following priority order: (i) Crisis and
35 commitment services; (ii) community inpatient services; and (iii)
36 residential care services, including personal care and emergency
37 housing assistance.

1 (b) (~~(\$16,900,000)~~) \$10,400,000 of the general fund--state
2 appropriation for fiscal year 2010 (~~(and \$16,900,000)~~), \$9,100,000 of
3 the general fund--state appropriation for fiscal year 2011, and
4 \$1,300,000 of the general fund--federal appropriation are provided
5 solely for the department and regional support networks to contract for
6 implementation of high-intensity program for active community treatment
7 (PACT) teams(~~(, and other proven program approaches that the department~~
8 ~~concur will enable the regional support network to achieve significant~~
9 ~~reductions in the number of beds the regional support network would~~
10 ~~otherwise need to use at the state hospitals)~~). The department shall
11 work with regional support networks and the center for medicare and
12 medicaid services to integrate eligible components of the PACT service
13 delivery model into medicaid capitation rates no later than January
14 2011, while maintaining consistency with all essential elements of the
15 PACT evidence-based practice model.

16 (c) \$6,500,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$6,500,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for the western Washington
19 regional support networks to provide either community- or hospital
20 campus-based services for persons who require the level of care
21 provided by the program for adaptive living skills (PALS) at western
22 state hospital.

23 (d) The number of nonforensic beds allocated for use by regional
24 support networks at eastern state hospital shall be 192 per day. The
25 number of nonforensic beds allocated for use by regional support
26 networks at western state hospital shall be 617 per day during the
27 first quarter of fiscal year 2010, and 587 per day thereafter. Beds in
28 the program for adaptive living skills (PALS) are not included in the
29 preceding bed allocations. The department shall separately charge
30 regional support networks for persons served in the PALS program.

31 (~~(d)~~) (e) From the general fund--state appropriations in this
32 subsection, the secretary of social and health services shall assure
33 that regional support networks reimburse the aging and disability
34 services administration for the general fund--state cost of medicaid
35 personal care services that enrolled regional support network consumers
36 use because of their psychiatric disability.

37 (~~(e)~~) (f) \$4,582,000 of the general fund--state appropriation for
38 fiscal year 2010 and \$4,582,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for mental
2 health services for mentally ill offenders while confined in a county
3 or city jail and for facilitating access to programs that offer mental
4 health services upon release from confinement.

5 ~~((f))~~ (g) The department is authorized to continue to contract
6 directly, rather than through contracts with regional support networks,
7 for children's long-term inpatient facility services.

8 ~~((g))~~ (h) \$750,000 of the general fund--state appropriation for
9 fiscal year 2010 and \$750,000 of the general fund--state appropriation
10 for fiscal year 2011 are provided solely to continue performance-based
11 incentive contracts to provide appropriate community support services
12 for individuals with severe mental illness who were discharged from the
13 state hospitals as part of the expanding community services initiative.
14 These funds will be used to enhance community residential and support
15 services provided by regional support networks through other state and
16 federal funding.

17 ~~((h))~~ (i) \$1,500,000 of the general fund--state appropriation for
18 fiscal year 2010 and \$1,500,000 of the general fund--state
19 appropriation for fiscal year 2011 are provided solely for the Spokane
20 regional support network to implement services to reduce utilization
21 and the census at eastern state hospital. Such services shall include:

22 (i) High intensity treatment team for persons who are high
23 utilizers of psychiatric inpatient services, including those with co-
24 occurring disorders and other special needs;

25 (ii) Crisis outreach and diversion services to stabilize in the
26 community individuals in crisis who are at risk of requiring inpatient
27 care or jail services;

28 (iii) Mental health services provided in nursing facilities to
29 individuals with dementia, and consultation to facility staff treating
30 those individuals; and

31 (iv) Services at the sixteen-bed evaluation and treatment facility.

32 At least annually, the Spokane regional support network shall
33 assess the effectiveness of these services in reducing utilization at
34 eastern state hospital, identify services that are not optimally
35 effective, and modify those services to improve their effectiveness.

36 ~~((i))~~ (j) The department shall return to the Spokane regional
37 support network fifty percent of the amounts assessed against the
38 network during the last six months of calendar year 2009 for state

1 hospital utilization in excess of its contractual limit. The regional
2 support network shall use these funds for operation during its initial
3 months of a new sixteen-bed evaluation and treatment facility that will
4 enable the network to reduce its use of the state hospital, and for
5 diversion and community support services for persons with dementia who
6 would likely otherwise require care at the state hospital.

7 ~~((+j))~~ (k) The department is directed to identify and implement
8 program efficiencies and benefit changes in its delivery of medicaid
9 managed-care services that are sufficient to operate within the state
10 and federal appropriations in this section. Such actions may include
11 but are not limited to methods such as adjusting the care access
12 standards; improved utilization management of ongoing, recurring, and
13 high-intensity services; and increased uniformity in provider payment
14 rates. The department shall ensure that the capitation rate
15 adjustments necessary to accomplish these efficiencies and changes are
16 distributed uniformly and equitably across all regional support
17 networks statewide. The department is directed to report to the
18 relevant legislative fiscal and policy committees at least thirty days
19 prior to implementing rate adjustments reflecting these changes.

20 ~~((+k))~~ (l) In developing the new medicaid managed care rates under
21 which the public mental health managed care system will operate during
22 the five years beginning in fiscal year 2011, the department should
23 seek to estimate the reasonable and necessary cost of efficiently and
24 effectively providing a comparable set of medically necessary mental
25 health benefits to persons of different acuity levels regardless of
26 where in the state they live. Actual prior period spending in a
27 regional administrative area shall not be a key determinant of future
28 payment rates. The department shall report to the office of financial
29 management and to the relevant fiscal and policy committees of the
30 legislature on its proposed new waiver and mental health managed care
31 rate-setting approach by October 1, 2009, and again at least sixty days
32 prior to implementation of new capitation rates.

33 (m) In implementing the new public mental health managed care
34 payment rates for fiscal year 2011, the department shall to the maximum
35 extent possible within each regional support network's allowable rate
36 range establish rates so that there is no increase or decrease in the
37 total state and federal funding that the regional support network would
38 receive if it were to continue to be paid at its October 2009 through

1 June 2010 rates. The department shall additionally revise the draft
2 rates issued January 28, 2010, to more accurately reflect the lower
3 practitioner productivity inherent in the delivery of services in
4 extremely rural regions in which a majority of the population reside in
5 frontier counties, as defined and designated by the national center for
6 frontier communities.

7 ~~((+l))~~ (n) \$1,529,000 of the general fund--state appropriation for
8 fiscal year 2010 and \$1,529,000 of the general fund--state
9 appropriation for fiscal year 2011 are provided solely to reimburse
10 Pierce and Spokane counties for the cost of conducting 180-day
11 commitment hearings at the state psychiatric hospitals.

12 ~~((+m))~~ (o) The legislature intends and expects that regional
13 support networks and contracted community mental health agencies shall
14 make all possible efforts to, at a minimum, maintain current
15 compensation levels of direct care staff. Such efforts shall include,
16 but not be limited to, identifying local funding that can preserve
17 client services and staff compensation, achieving administrative
18 reductions at the regional support network level, and engaging
19 stakeholders on cost-savings ideas that maintain client services and
20 staff compensation. For purposes of this section, "direct care staff"
21 means persons employed by community mental health agencies whose
22 primary responsibility is providing direct treatment and support to
23 people with mental illness, or whose primary responsibility is
24 providing direct support to such staff in areas such as client
25 scheduling, client intake, client reception, client records-keeping,
26 and facilities maintenance.

27 (p) Regional support networks may use local funds to earn
28 additional federal medicaid match, provided the locally matched rate
29 does not exceed the upper-bound of their federally allowable rate
30 range, and provided that the enhanced funding is used only to provide
31 medicaid state plan or waiver services to medicaid clients.
32 Additionally, regional support networks may use a portion of the state
33 funds allocated in accordance with (a) of this subsection to earn
34 additional medicaid match, but only to the extent that the application
35 of such funds to medicaid services does not diminish the level of
36 crisis and commitment, community inpatient, residential care, and
37 outpatient services presently available to persons not eligible for
38 medicaid.

1	(2) INSTITUTIONAL SERVICES	
2	General Fund--State Appropriation (FY 2010)	((\$120,637,000))
3		<u>\$119,423,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$124,995,000))
5		<u>\$123,012,000</u>
6	General Fund--Federal Appropriation	((\$151,160,000))
7		<u>\$153,425,000</u>
8	General Fund--Private/Local Appropriation	((\$65,868,000))
9		<u>\$64,614,000</u>
10	TOTAL APPROPRIATION	((\$462,660,000))
11		<u>\$460,474,000</u>

12 The appropriations in this subsection are subject to the following
13 conditions and limitations:

14 (a) The state psychiatric hospitals may use funds appropriated in
15 this subsection to purchase goods and supplies through hospital group
16 purchasing organizations when it is cost-effective to do so.

17 (b) \$231,000 of the general fund--state appropriation for fiscal
18 year 2008 and \$231,000 of the general fund--state appropriation for
19 fiscal year 2009 are provided solely for a community partnership
20 between western state hospital and the city of Lakewood to support
21 community policing efforts in the Lakewood community surrounding
22 western state hospital. The amounts provided in this subsection (2)(b)
23 are for the salaries, benefits, supplies, and equipment for one full-
24 time investigator, one full-time police officer, and one full-time
25 community service officer at the city of Lakewood.

26 (c) \$45,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$45,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for payment to the city of
29 Lakewood for police services provided by the city at western state
30 hospital and adjacent areas.

31 (d) \$200,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for support of the psychiatric security
33 review panel established pursuant to Senate Bill No. 6610. If Senate
34 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in
35 this subsection shall lapse.

36	(3) SPECIAL PROJECTS	
37	General Fund--State Appropriation (FY 2010)	\$1,819,000

1	General Fund--State Appropriation (FY 2011)	((<u>\$1,812,000</u>))
2		<u>\$2,092,000</u>
3	General Fund--Federal Appropriation	\$2,142,000
4	TOTAL APPROPRIATION	((<u>\$5,773,000</u>))
5		<u>\$6,053,000</u>

6 The appropriations in this subsection are subject to the following
7 conditions and limitations:

8 (a) \$1,511,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$1,511,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for children's evidence based
11 mental health services. Funding is sufficient to continue serving
12 children at the same levels as fiscal year 2009.

13 (b) \$100,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for consultation, training, and technical
15 assistance to regional support networks on strategies for effective
16 service delivery in very sparsely populated counties.

17 (c) \$60,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for the department to contract with the
19 Washington state institute for public policy for completion of the
20 research reviews to be conducted in accordance with chapter 263, Laws
21 of 2010.

22 (d) \$60,000 of the general fund--state appropriation for fiscal
23 year 2011 is provided solely for the department to contract with the
24 Washington state institute for public policy for completion of the
25 research reviews to be conducted in accordance with section 1, chapter
26 280, Laws of 2010.

27 (e) \$60,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for implementation of sections 2 and 3,
29 chapter 280, Laws of 2010. The department shall use these funds to
30 contract with the Washington state institute for public policy for
31 completion of an assessment of (i) the extent to which the number of
32 persons involuntarily committed for 3, 14, and 90 days is likely to
33 increase as a result of the revised commitment standards; (ii) the
34 availability of community treatment capacity to accommodate that
35 increase; (iii) strategies for cost-effectively leveraging state,
36 local, and private resources to increase community involuntary
37 treatment capacity; and (iv) the extent to which increases in

1 involuntary commitments are likely to be offset by reduced utilization
2 of correctional facilities, publicly-funded medical care, and state
3 psychiatric hospitalizations.

4 (f) By October 1, 2010, the department shall report to the governor
5 and appropriate committees of the legislature with (i) a report on
6 improving services for children who are at greatest risk of requiring
7 long-term inpatient and residential care due to the severity of their
8 emotional impairments; and (ii) an inventory of current publicly funded
9 efforts in Washington to identify children at risk of emotional
10 impairments and to provide intervention before a mental disorder
11 manifests itself. The report on improving services for children at
12 risk of long-term care shall be developed by the division of behavioral
13 health and recovery services in consultation with treatment
14 specialists, regional support networks, behavioral health provider
15 organizations, and consumer and family representatives. It shall
16 include potential alternatives for services to children at risk of
17 long-term, intensive mental health care and recommend specific
18 proposals regarding program components, delivery system organization,
19 and cost estimates. The proposals may include short and long-term
20 alternatives to reach statewide equity in access to high-intensity
21 services with a primary focus on children who are at risk of out-of-
22 home placement or who are high system utilizers. Evidence-based and
23 research-based practices shall be included as options to the extent
24 that they provide appropriate services for children at risk of long-
25 term, intensive mental health care. The inventory shall include, but
26 is not limited to, activities that focus on prevention rather than
27 solely on clinical or medical treatment and that rely on strategies
28 such as those identified by the national academies' institute of
29 medicine as effective in preventing childhood emotional impairments.
30 The inventory shall be developed by the family policy council in
31 consultation with public health departments, special education experts,
32 managed health care plans, regional support networks, the University of
33 Washington's children's mental health evidence-based practice
34 institute, and behavioral health provider organizations.

35 (4) PROGRAM SUPPORT

36 General Fund--State Appropriation (FY 2010) ((\$4,077,000))
37 \$4,078,000
38 General Fund--State Appropriation (FY 2011) ((\$4,094,000))

1		<u>\$4,070,000</u>
2	General Fund--Federal Appropriation	((\$7,227,000))
3		<u>\$7,219,000</u>
4	TOTAL APPROPRIATION	((\$15,398,000))
5		<u>\$15,367,000</u>

6 The department is authorized and encouraged to continue its
7 contract with the Washington state institute for public policy to
8 provide a longitudinal analysis of long-term mental health outcomes as
9 directed in chapter 334, Laws of 2001 (mental health performance
10 audit); to build upon the evaluation of the impacts of chapter 214,
11 Laws of 1999 (mentally ill offenders); and to assess program outcomes
12 and cost effectiveness of the children's mental health pilot projects
13 as required by chapter 372, Laws of 2006.

14 **Sec. 205.** 2010 c 3 s 204 (uncodified) is amended to read as
15 follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
17 **DISABILITIES PROGRAM**

18 (1) COMMUNITY SERVICES

19	General Fund--State Appropriation (FY 2010)	((\$311,589,000))
20		<u>\$307,348,000</u>
21	General Fund--State Appropriation (FY 2011)	((\$366,489,000))
22		<u>\$338,299,000</u>
23	General Fund--Federal Appropriation	((\$849,263,000))
24		<u>\$902,900,000</u>
25	TOTAL APPROPRIATION	((\$1,527,341,000))
26		<u>\$1,548,547,000</u>

27 The appropriations in this subsection are subject to the following
28 conditions and limitations:

29 (a) Individuals receiving services as supplemental security income
30 (SSI) state supplemental payments shall not become eligible for medical
31 assistance under RCW 74.09.510 due solely to the receipt of SSI state
32 supplemental payments.

33 (b)(i) Amounts appropriated in this section reflect a reduction to
34 funds appropriated for in-home care. The department shall reduce the
35 number of in-home hours authorized. The reduction shall be scaled
36 based on the acuity level of care recipients. The largest hour
37 reductions shall be to lower acuity patients and the smallest hour

1 reductions shall be to higher acuity patients. In doing so, the
2 department shall comply with all maintenance of effort requirements
3 contained in the American reinvestment and recovery act.

4 (ii) \$508,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$822,000 of the general fund--federal appropriation are
6 provided solely for the department to partially restore the reductions
7 to in-home care that are taken in (b)(i) of this subsection. The
8 department will use the same formula to restore personal care hours
9 that it used to reduce personal care hours.

10 (c) Amounts appropriated in this section are sufficient to develop
11 and implement the use of a consistent, statewide outcome-based vendor
12 contract for employment and day services by April 1, 2011. The rates
13 paid to vendors under this contract shall also be made consistent. In
14 its description of activities the agency shall include activity
15 listings and dollars appropriated for: Employment services, day
16 services, child development services and county administration of
17 services to the developmentally disabled. The department shall begin
18 reporting to the office of financial management on these activities
19 beginning in fiscal year 2010.

20 ~~(d) ((\$5,593,000 of the general fund state appropriation for~~
21 ~~fiscal year 2010, \$4,002,000 of the general fund state appropriation~~
22 ~~for fiscal year 2011, and \$14,701,000 of the general fund federal~~
23 ~~appropriation are provided solely for community residential and support~~
24 ~~services. Funding in this subsection shall be prioritized for (i)~~
25 ~~residents of residential habilitation centers who are able to be~~
26 ~~adequately cared for in community settings and who choose to live in~~
27 ~~those community settings; (ii) clients without residential services who~~
28 ~~are at immediate risk of institutionalization or in crisis; (iii)~~
29 ~~children who are at risk of institutionalization or who are aging out~~
30 ~~of other state services; and (iv) current home and community based~~
31 ~~waiver program clients who have been assessed as having an immediate~~
32 ~~need for increased services. First priority shall be given to children~~
33 ~~who are at risk of institutionalization. The department shall ensure~~
34 ~~that the average cost per day for all program services other than~~
35 ~~start up costs shall not exceed \$300. In order to maximize the number~~
36 ~~of clients served and ensure the cost effectiveness of the waiver~~
37 ~~programs, the department will strive to limit new client placement~~
38 ~~expenditures to 90 percent of the budgeted daily rate. If this can be~~

1 accomplished, ~~additional clients may be served with excess funds,~~
2 ~~provided the total projected carry forward expenditures do not exceed~~
3 ~~the amounts estimated. The department shall electronically report to~~
4 ~~the appropriate committees of the legislature, within 45 days following~~
5 ~~each fiscal year quarter, the number of persons served with these~~
6 ~~additional community services, where they were residing, what kinds of~~
7 ~~services they were receiving prior to placement, and the actual~~
8 ~~expenditures for all community services to support these clients.~~

9 ~~(e)(i) \$493,000 of the general fund state appropriation for fiscal~~
10 ~~year 2010, \$1,463,000 of the general fund state appropriation for~~
11 ~~fiscal year 2011, and \$2,741,000 of the general fund federal~~
12 ~~appropriation are provided solely for community services for persons~~
13 ~~with developmental disabilities who also have community protection~~
14 ~~issues. Funding in this subsection shall be prioritized for (A)~~
15 ~~clients being diverted or discharged from the state psychiatric~~
16 ~~hospitals; (B) clients participating in the dangerous mentally ill~~
17 ~~offender program; (C) clients participating in the community protection~~
18 ~~program; and (D) mental health crisis diversion outplacements. The~~
19 ~~department shall ensure that the average cost per day for all program~~
20 ~~services other than start up costs shall not exceed \$349 per day in~~
21 ~~fiscal year 2010 and \$356 per day in fiscal year 2011. In order to~~
22 ~~maximize the number of clients served and ensure the cost effectiveness~~
23 ~~of the waiver programs, the department will strive to limit new client~~
24 ~~placement expenditures to 90 percent of the budgeted daily rate. If~~
25 ~~this can be accomplished, additional clients may be served with excess~~
26 ~~funds if the total projected carry forward expenditures do not exceed~~
27 ~~the amounts estimated.~~

28 ~~(ii) The department shall electronically report to the appropriate~~
29 ~~committees of the legislature, within 45 days following each fiscal~~
30 ~~year quarter, the number of persons served with these additional~~
31 ~~community services, where they were residing, what kinds of services~~
32 ~~they were receiving prior to placement, and the actual expenditures for~~
33 ~~all community services to support these clients.~~

34 ~~(f)) \$302,000 of the general fund--state appropriation for fiscal~~
35 ~~year 2010, \$831,000 of the general fund--state appropriation for fiscal~~
36 ~~year 2011, and \$1,592,000 of the general fund--federal appropriation~~
37 ~~are provided solely for health care benefits pursuant to a collective~~

1 bargaining agreement negotiated with the exclusive bargaining
2 representative of individual providers established under RCW
3 74.39A.270.

4 ~~((g))~~ (e)(i) \$682,000 of the general fund--state appropriation
5 for fiscal year 2010, \$1,651,000 of the general fund--state
6 appropriation for fiscal year 2011, and \$1,678,000 of the general
7 fund--federal appropriation are provided solely for the state's
8 contribution to the training partnership, as provided in RCW
9 74.39A.360, pursuant to a collective bargaining agreement negotiated
10 with the exclusive bargaining representative of individual providers
11 established under RCW 74.39A.270.

12 (ii) The federal portion of the amounts in this subsection (g) is
13 contingent upon federal approval of participation in contributions to
14 the trust and shall remain unallotted and placed in reserve status
15 until the office of financial management and the department of social
16 and health services receive federal approval.

17 (iii) Expenditures for the purposes specified in this subsection
18 (g) shall not exceed the amounts provided in this subsection.

19 ~~((h))~~ (f) Within the amounts appropriated in this subsection (1),
20 the department shall implement all necessary rules to facilitate the
21 transfer to a department home and community-based services (HCBS)
22 waiver of all eligible individuals who (i) currently receive services
23 under the existing state-only employment and day program or the
24 existing state-only residential program, and (ii) otherwise meet the
25 waiver eligibility requirements. The amounts appropriated are
26 sufficient to ensure that all individuals currently receiving services
27 under the state-only employment and day and state-only residential
28 programs who are not transferred to a department HCBS waiver will
29 continue to receive services.

30 ~~((i) Adult day health services shall only be authorized for in-~~
31 ~~home clients.~~

32 ~~((j))~~ (g) In addition to other reductions, the appropriations in
33 this subsection reflect reductions targeted specifically to state
34 government administrative costs. These administrative reductions shall
35 be achieved, to the greatest extent possible, by reducing those
36 administrative costs that do not affect direct client services or
37 direct service delivery or programs.

1 ((+k)) (h) The department shall not pay a home care agency
2 licensed under chapter 70.127 RCW for personal care services provided
3 by a family member, pursuant to Substitute House Bill No. 2361
4 (modifying state payments for in-home care).

5 ((+l)) (i) Within the appropriations of this section, the
6 department shall reduce all seventeen payment levels of the seventeen-
7 level payment system from the fiscal year 2009 levels for boarding
8 homes, boarding homes contracted as assisted living, and adult family
9 homes. Excluded from the reductions are exceptional care rate add-ons.
10 The long-term care program may develop add-ons to pay exceptional care
11 rates to adult family homes and boarding homes with specialty contracts
12 to provide support for the following specifically eligible clients:

13 (i) Persons with AIDS or HIV-related diseases who might otherwise
14 require nursing home or hospital care;

15 (ii) Persons with Alzheimer's disease and related dementia who
16 might otherwise require nursing home care; and

17 (iii) Persons with co-occurring mental illness and long-term care
18 needs who are eligible for expanded community services and who might
19 otherwise require state and local psychiatric hospital care.

20 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
21 dementia specialty care, and expanded community services may be
22 standardized within each program.

23 ((+m)) (j) The amounts appropriated in this subsection reflect a
24 reduction in funds available for employment and day services. In
25 administering this reduction the department shall negotiate with
26 counties and their vendors so that this reduction, to the greatest
27 extent possible, is achieved by reducing vendor rates and allowable
28 contract administrative charges (overhead) and not through reductions
29 to direct client services or direct service delivery or programs.

30 ~~((+n) Within the amounts allotted for employment and day services
31 in this section, the department shall prioritize the funding of
32 employment services for students graduating from high school during
33 fiscal years 2010 and 2011. However, nothing in this subsection is
34 intended to displace services for other recipients of employment
35 services.~~

36 (+o)) (k) As part of the needs assessment instrument, the
37 department may collect data on family income for minor children with

1 developmental disabilities and all individuals who are receiving state-
2 only funded services. The department may ensure that this information
3 is collected as part of the client assessment process.

4 (l) \$116,000 of the general fund--state appropriation for fiscal
5 year 2010, \$2,689,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$1,772,000 of the general fund--federal
7 appropriation are provided solely for employment services and required
8 waiver services. Priority consideration for this new funding shall be
9 young adults with developmental disabilities living with their family
10 who need employment opportunities and assistance after high school
11 graduation. Services shall be provided for both waiver and nonwaiver
12 clients. Fifty percent of the general fund appropriation shall be
13 utilized for graduates served on a home and community-based services
14 waiver and fifty percent of the general fund appropriation shall be
15 used for nonwaiver clients.

16 (m) The division of developmental disabilities shall not reduce
17 funding for county employment contracts. Funding for this purpose
18 shall be maintained at the amount appropriated for this purpose in
19 chapter 564, Laws of 2009.

20 (n) The department shall, by September 30, 2010, provide a report
21 to the legislature on the implementation of chapter 571, Laws of 2009
22 (Substitute House Bill No. 2361). The report shall provide an analysis
23 of the savings and/or costs to the agency associated with the
24 implementation of the bill. Additionally, the report shall provide a
25 full accounting of the relative hourly costs of agency providers and
26 individual providers.

27 (o) The department shall establish a working group with
28 representatives of the home care industry to identify and eliminate or
29 mitigate administrative burdens. The make-up of this working group
30 shall be limited to:

31 (i) The state unit on aging chief of the aging and disabilities
32 service administration (ADSA);

33 (ii) Other ADSA representatives as the state unit on aging chief
34 deems necessary;

35 (iii) A representative from the department of health facility
36 services licensing;

37 (iv) No more than seven representatives of the home care industry,
38 to include:

- 1 (A) A representative of each of the three home care associations;
2 (B) A for-profit agency with at least seven area agency on aging
3 contracts;
4 (C) A nonprofit with at least seven area agency on aging contracts;
5 (D) An agency that serves persons with developmental disabilities;
6 and
7 (E) An agency that is a community action program;
8 (v) No more than two area agency on aging directors; and
9 (vi) Representatives from each of the two labor unions which
10 represent home care workers.

11 The department is authorized to assign work group members
12 consistent with this subsection (1)(s). The working group shall hold
13 its first meeting no later than May 1, 2010, and shall meet at least
14 monthly or as needed until the group has accomplished its goals. The
15 work group shall provide a report on its findings to the legislative
16 fiscal committees by January 1, 2011.

17 (p) The department shall electronically report to the appropriate
18 committees of the legislature, within 45 days following each fiscal
19 year quarter, the number of persons served in each of the following
20 categories: (i) Residents of residential habilitation centers who are
21 able to be adequately cared for in community settings and who choose to
22 live in those community settings; (ii) clients without residential
23 services who are at immediate risk of institutionalization or in
24 crisis; (iii) children who are at risk of institutionalization or who
25 are aging out of other state services; (iv) current home and community-
26 based waiver program clients who have been assessed as having an
27 immediate need for increased services; (v) clients being diverted or
28 discharged from the state psychiatric hospitals; (vi) clients
29 participating in the dangerous mentally ill offender program; (vii)
30 clients participating in the community protection program; or (viii)
31 mental health crisis diversion outplacements. The department shall
32 strive to serve these clients in the most cost-effective manner.

33 (q) \$81,000 of the general fund--state appropriation for fiscal
34 year 2010, \$599,000 of the general fund--state appropriation for fiscal
35 year 2011, and \$1,111,000 of the general fund--federal appropriation
36 are provided solely for the department to provide employment and day
37 services for eligible students who are currently on a waiver and will
38 graduate from high school during fiscal years 2010 and 2011.

1 (r) \$100,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for direct support to families of
3 individuals with developmental disabilities to provide instruction in
4 self-advocacy.

5 (s) \$100,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for direct support of local organizations
7 that utilize parent-to-parent networks and communication to promote
8 access and quality of care for individuals with developmental
9 disabilities and their families.

10 (t) The automatic award of additional hours of personal care for
11 people with special meal preparation or incontinence needs is
12 eliminated. Authorization of service hours will be based upon the
13 individual's assessed needs.

14 (2) INSTITUTIONAL SERVICES

15	General Fund--State Appropriation (FY 2010)	((\$61,612,000))
16		<u>\$61,422,000</u>
17	General Fund--State Appropriation (FY 2011)	((\$74,185,000))
18		<u>\$65,685,000</u>
19	General Fund--Federal Appropriation	((\$202,160,000))
20		<u>\$210,473,000</u>
21	General Fund--Private/Local Appropriation . . . . .	.\$22,441,000
22	TOTAL APPROPRIATION	((\$360,398,000))
23		<u>\$360,021,000</u>

24 The appropriations in this subsection are subject to the following
25 conditions and limitations:

26 (a) Individuals receiving services as supplemental security income
27 (SSI) state supplemental payments shall not become eligible for medical
28 assistance under RCW 74.09.510 due solely to the receipt of SSI state
29 supplemental payments.

30 (b) The developmental disabilities program is authorized to use
31 funds appropriated in this subsection to purchase goods and supplies
32 through direct contracting with vendors when the program determines it
33 is cost-effective to do so.

34 (c) \$721,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$721,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the department to fulfill its
37 contracts with the school districts under chapter 28A.190 RCW to

1 provide transportation, building space, and other support services as
2 are reasonably necessary to support the educational programs of
3 students living in residential habilitation centers.

4 (d) In addition to other reductions, the appropriations in this
5 subsection reflect reductions targeted specifically to state government
6 administrative costs. These administrative reductions shall be
7 achieved, to the greatest extent possible, by reducing those
8 administrative costs that do not affect direct client services or
9 direct service delivery or programs.

10 (3) PROGRAM SUPPORT

11	General Fund--State Appropriation (FY 2010)	((\$1,420,000))
12		<u>\$1,407,000</u>
13	General Fund--State Appropriation (FY 2011)	((\$1,372,000))
14		<u>\$1,379,000</u>
15	General Fund--Federal Appropriation	((\$1,360,000))
16		<u>\$1,319,000</u>
17	TOTAL APPROPRIATION	((\$4,152,000))
18		<u>\$4,105,000</u>

19 The appropriations in this subsection are subject to the following
20 conditions and limitations: In addition to other reductions, the
21 appropriations in this subsection reflect reductions targeted
22 specifically to state government administrative costs. These
23 administrative reductions shall be achieved, to the greatest extent
24 possible, by reducing those administrative costs that do not affect
25 direct client services or direct service delivery or programs.

26 (4) SPECIAL PROJECTS

27	((General Fund--State Appropriation (FY 2010)	\$15,000
28	General Fund--State Appropriation (FY 2011)	\$15,000)
29	General Fund--Federal Appropriation	((\$21,066,000))
30		<u>\$9,631,000</u>
31	TOTAL APPROPRIATION	((\$21,096,000))
32		<u>\$9,631,000</u>

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: The appropriations in this subsection are
35 available solely for the infant toddler early intervention program.

1 No. 6872 (nursing facility medicaid payments) provide sufficient
2 reimbursement to efficient and economically operating nursing
3 facilities and bears a reasonable relationship to costs.

4 (3) In accordance with chapter 74.46 RCW, the department shall
5 issue no additional certificates of capital authorization for fiscal
6 year 2010 and no new certificates of capital authorization for fiscal
7 year 2011 and shall grant no rate add-ons to payment rates for capital
8 improvements not requiring a certificate of need and a certificate of
9 capital authorization for fiscal year 2011.

10 ~~((+3))~~ (4) The long-term care program may develop and pay enhanced
11 rates for exceptional care to nursing homes for persons with traumatic
12 brain injuries who are transitioning from hospital care. The cost per
13 patient day for caring for these clients in a nursing home setting may
14 be equal to or less than the cost of caring for these clients in a
15 hospital setting.

16 ~~((+4))~~ (5) Within the appropriations of this section, the
17 department shall reduce all seventeen payment levels of the seventeen-
18 level payment system from the fiscal year 2009 levels for boarding
19 homes, boarding homes contracted as assisted living, and adult family
20 homes. Excluded from the reductions are exceptional care rate add-ons.
21 The long-term care program may develop add-ons to pay exceptional care
22 rates to adult family homes and boarding homes with specialty contracts
23 to provide support for the following specifically eligible clients:

24 (a) Persons with AIDS or HIV-related diseases who might otherwise
25 require nursing home or hospital care;

26 (b) Persons with Alzheimer's disease and related dementia who might
27 otherwise require nursing home care; and

28 (c) Persons with co-occurring mental illness and long-term care
29 needs who are eligible for expanded community services and who might
30 otherwise require state and local psychiatric hospital care.

31 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
32 dementia specialty care, and expanded community services may be
33 standardized within each program.

34 ~~((+5))~~ (6)(a) Amounts appropriated in this section reflect a
35 reduction to funds appropriated for in-home care. The department shall
36 reduce the number of in-home hours authorized. The reduction shall be
37 scaled based on the acuity level of care recipients. The largest hour
38 reductions shall be to lower acuity patients and the smallest hour

1 reductions shall be to higher acuity patients. In doing so, the
2 department shall comply with all maintenance of effort requirements
3 contained in the American reinvestment and recovery act.

4 (b) \$3,070,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$4,980,000 of the general fund--federal appropriation are
6 provided solely for the department to partially restore the reduction
7 to in-home care that are taken in (a) of this subsection. The
8 department will use the same formula to restore personal care hours
9 that it used to reduce personal care hours.

10 ~~((+6))~~ (7) \$536,000 of the general fund--state appropriation for
11 fiscal year 2010, \$1,477,000 of the general fund--state appropriation
12 for fiscal year 2011, and \$2,830,000 of the general fund--federal
13 appropriation are provided solely for health care benefits pursuant to
14 a collective bargaining agreement negotiated with the exclusive
15 bargaining representative of individual providers established under RCW
16 74.39A.270.

17 ~~((+7))~~ (8)(a) \$1,212,000 of the general fund--state appropriation
18 for fiscal year 2010, \$2,934,000 of the general fund--state
19 appropriation for fiscal year 2011, and \$2,982,000 of the general
20 fund--federal appropriation are provided solely for the state's
21 contribution to the training partnership, as provided in RCW
22 74.39A.360, pursuant to a collective bargaining agreement negotiated
23 with the exclusive bargaining representative of individual providers
24 established under RCW 74.39A.270.

25 (b) \$330,000 of the general fund--state appropriation for fiscal
26 year 2010, \$660,000 of the general fund--state appropriation for fiscal
27 year 2011, and \$810,000 of the general fund--federal appropriation are
28 provided solely for transfer from the department to the training
29 partnership, as provided in RCW 74.39A.360, for infrastructure and
30 instructional costs associated with training of individual providers,
31 pursuant to a collective bargaining agreement negotiated with the
32 exclusive bargaining representative of individual providers established
33 under RCW 74.39A.270.

34 (c) The federal portion of the amounts in this subsection is
35 contingent upon federal approval of participation in contributions to
36 the trust and shall remain unallotted and placed in reserve status
37 until the office of financial management and the department of social
38 and health services receive federal approval.

1 (d) Expenditures for the purposes specified in this subsection
2 shall not exceed the amounts provided in this subsection.

3 ~~((+8))~~ (9) Within the amounts appropriated in this section, the
4 department may expand the new freedom waiver program to accommodate new
5 waiver recipients throughout the state. As possible, and in compliance
6 with current state and federal laws, the department shall allow current
7 waiver recipients to transfer to the new freedom waiver.

8 ~~((+9))~~ (10) Individuals receiving services as supplemental
9 security income (SSI) state supplemental payments shall not become
10 eligible for medical assistance under RCW 74.09.510 due solely to the
11 receipt of SSI state supplemental payments.

12 ~~((+10) Adult day health services shall only be authorized for in-
13 home clients.))~~

14 (11) \$3,955,000 of the general fund--state appropriation for fiscal
15 year 2010, \$4,239,000 of the general fund--state appropriation for
16 fiscal year 2011, and \$10,190,000 of the general fund--federal
17 appropriation are provided solely for the continued operation of
18 community residential and support services for persons who are older
19 adults or who have co-occurring medical and behavioral disorders and
20 who have been discharged or diverted from a state psychiatric hospital.
21 These funds shall be used to serve individuals whose treatment needs
22 constitute substantial barriers to community placement, who no longer
23 require active psychiatric treatment at an inpatient hospital level of
24 care, and who no longer meet the criteria for inpatient involuntary
25 commitment. Coordination of these services will be done in partnership
26 between the mental health program and the aging and disability services
27 administration.

28 (12) Within the funds provided, the department shall continue to
29 provide an add-on per medicaid resident day per facility not to exceed
30 \$1.57. The add-on shall be used to increase wages, benefits, and/or
31 staffing levels for certified nurse aides; or to increase wages and/or
32 benefits for dietary aides, housekeepers, laundry aides, or any other
33 category of worker whose statewide average dollars-per-hour wage was
34 less than \$15 in calendar year 2008, according to cost report data.
35 The add-on may also be used to address resulting wage compression for
36 related job classes immediately affected by wage increases to low-wage
37 workers. The department shall continue reporting requirements and a

1 settlement process to ensure that the funds are spent according to this
2 subsection. The department shall adopt rules to implement the terms of
3 this subsection.

4 (13) \$1,840,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,877,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for operation of the volunteer
7 ((ehere)) services program. Funding shall be prioritized towards
8 serving populations traditionally served by long-term care services to
9 include senior citizens and persons with disabilities.

10 (14) In accordance with chapter 74.39 RCW, the department may
11 implement two medicaid waiver programs for persons who do not qualify
12 for such services as categorically needy, subject to federal approval
13 and the following conditions and limitations:

14 (a) One waiver program shall include coverage of care in community
15 residential facilities. Enrollment in the waiver shall not exceed 600
16 persons at any time.

17 (b) The second waiver program shall include coverage of in-home
18 care. Enrollment in this second waiver shall not exceed 200 persons at
19 any time.

20 (c) The department shall identify the number of medically needy
21 nursing home residents, and enrollment and expenditures on each of the
22 two medically needy waivers, on monthly management reports.

23 (d) If it is necessary to establish a waiting list for either
24 waiver because the budgeted number of enrollment opportunities has been
25 reached, the department shall track how the long-term care needs of
26 applicants assigned to the waiting list are met.

27 (15) The department shall establish waiting lists to the extent
28 necessary to assure that annual expenditures on the community options
29 program entry systems (COPES) program do not exceed appropriated
30 levels. In establishing and managing any such waiting list, the
31 department shall assure priority access to persons with the greatest
32 unmet needs, as determined by department assessment processes.

33 (16) The department shall contract for housing with service models,
34 such as cluster care, to create efficiencies in service delivery and
35 responsiveness to unscheduled personal care needs by clustering hours
36 for clients that live in close proximity to each other.

37 (17) The department shall not pay a home care agency licensed under

1 chapter 70.127 RCW for personal care services provided by a family
2 member, pursuant to Substitute House Bill No. 2361 (modifying state
3 payments for in-home care).

4 (18) (~~(\$204,000)~~) \$209,000 of the general fund--state appropriation
5 for fiscal year 2010, (~~(\$1,099,000)~~) \$781,000 of the general fund--
6 state appropriation for fiscal year 2011, and (~~(\$1,697,000)~~) \$1,293,000
7 of the general fund--federal appropriation are provided solely to
8 implement Engrossed House Bill No. 2194 (extraordinary medical
9 placement for offenders). The department shall work in partnership
10 with the department of corrections to identify services and find
11 placements for offenders who are released through the extraordinary
12 medical placement program. The department shall collaborate with the
13 department of corrections to identify and track cost savings to the
14 department of corrections, including medical cost savings and to
15 identify and track expenditures incurred by the aging and disability
16 services program for community services and by the medical assistance
17 program for medical expenses. A joint report regarding the identified
18 savings and expenditures shall be provided to the office of financial
19 management and the appropriate fiscal committees of the legislature by
20 November 30, 2010. If this bill is not enacted by June 30, 2009, the
21 amounts provided in this subsection shall lapse.

22 (19) (~~(Sufficient funding is provided in this section for the~~
23 ~~department to implement Engrossed Second Substitute House Bill No. 1935~~
24 ~~(adult family homes). During the 2009-11 biennium, the initial~~
25 ~~licensing fee for an adult family home shall be set at \$900.00. During~~
26 ~~the 2009-11 biennium, the annual licensing renewal fee shall be set at~~
27 ~~\$100.00.)~~) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,
28 the department is authorized to increase nursing facility and boarding
29 home fees in fiscal year 2011 as necessary to meet the actual costs of
30 conducting the licensure, inspection, and regulatory programs.

31 (a) \$1,035,000 of the general fund--private/local appropriation
32 assumes that the current annual renewal license fee for nursing
33 facilities shall be increased to \$327 per bed beginning in fiscal year
34 2011.

35 (b) \$1,806,000 of the general fund--local appropriation assumes
36 that the current annual renewal license fee for boarding homes shall be
37 increased to \$106 per bed beginning in fiscal year 2011.

1 (20) The department shall, by September 30, 2010, provide a report
2 to the legislature on the implementation of chapter 571, Laws of 2009
3 (Substitute House Bill No. 2361). The report shall provide an analysis
4 of the savings and/or costs to the agency associated with the
5 implementation of the bill. Additionally, the report shall provide a
6 full accounting of the relative hourly costs of agency providers and
7 individual providers.

8 (21) The department shall establish a working group with
9 representatives of the home care industry to identify and eliminate or
10 mitigate administrative burdens. The make-up of this working group
11 shall be limited to:

12 (a) The state unit on aging chief of the aging and disabilities
13 service administration (ADSA);

14 (b) Other ADSA representatives as the state unit on aging chief
15 deems necessary;

16 (c) A representative from the department of health facility
17 services licensing;

18 (d) No more than seven representatives of the home care industry,
19 to include:

20 (i) A representative of each of the three home care associations;

21 (ii) A for-profit agency with at least seven area agency on aging
22 contracts;

23 (iii) A nonprofit with at least seven area agency on aging
24 contracts;

25 (iv) An agency that serves persons with developmental disabilities;
26 and

27 (v) An agency that is a community action program;

28 (e) No more than two area agency on aging directors; and

29 (f) Representatives from each of the two labor unions which
30 represent home care workers.

31 The department is authorized to assign work group members
32 consistent with this subsection. The working group shall hold its
33 first meeting no later than May 1, 2010, and shall meet at least
34 monthly or as needed until the group has accomplished its goals. The
35 work group shall provide a report on its findings to the legislative
36 fiscal committees by January 1, 2011.

37 (22) \$2,566,000 of the traumatic brain injury account--state
38 appropriation is provided solely to continue services for persons with

1 traumatic brain injury (TBI) as defined in RCW 74.31.020 through
2 74.31.050. The TBI advisory council shall provide a report to the
3 legislature by December 1, 2010, on the effectiveness of the functions
4 overseen by the council and shall provide recommendations on the
5 development of critical services for individuals with traumatic brain
6 injury.

7 (23) The automatic award of additional hours of personal care for
8 people with special meal preparation or incontinence needs is
9 eliminated. Authorization of service hours will be based upon the
10 individual's assessed needs.

11 (24) For calendar year 2009, the department shall calculate split
12 settlements covering two periods January 1, 2009, through June 30,
13 2009, and July 1, 2009, through December 31, 2009. For the second
14 period beginning July 1, 2009, the department may partially or totally
15 waive settlements only in specific cases where a nursing home can
16 demonstrate significant decreases in costs from the first period.

17 (25) \$72,000 of the traumatic brain injury account appropriation
18 and \$116,000 of the general fund--federal appropriation are provided
19 solely for a direct care rate add-on to any nursing facility
20 specializing in the care of residents with traumatic brain injuries
21 where more than 50 percent of residents are classified with this
22 condition based upon the federal minimum data set assessment.

23 (26) \$69,000 of the general fund--state appropriation for fiscal
24 year 2010, \$1,289,000 of the general fund--state appropriation for
25 fiscal year 2011, and \$2,050,000 of the general fund--federal
26 appropriation are provided solely for the department to maintain
27 enrollment in the adult day health services program. New enrollments
28 are authorized for up to 1,575 clients or to the extent that
29 appropriated funds are available to cover additional clients.

30 (27) \$1,000,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for the department to contract for the
32 provision of an individual provider referral registry.

33 (28) \$100,000 of the general fund--state appropriation for fiscal
34 year 2011 and \$100,000 of the general fund--federal appropriation are
35 provided solely for the department to contract with a consultant to
36 evaluate and make recommendations on a pay-for-performance payment
37 subsidy system. The department shall organize one workgroup meeting
38 with the consultant where nursing home stakeholders may provide input

1 on pay-for-performance ideas. The consultant shall review pay-for-
2 performance strategies used in other states to sustain and enhance
3 quality-improvement efforts in nursing facilities. The evaluation
4 shall include a review of the centers for medicare and medicaid
5 services demonstration project to explore the feasibility of pay-for-
6 performance systems in medicare certified nursing facilities. The
7 consultant shall develop a report to include:

8 (a) Best practices used in other states for pay-for-performance
9 strategies incorporated into medicaid nursing home payment systems;

10 (b) The relevance of existing research to Washington state;

11 (c) A summary and review of suggestions for pay-for-performance
12 strategies provided by nursing home stakeholders in Washington state;
13 and

14 (d) An evaluation of the effectiveness on a variety of performance
15 measures.

16 (29) \$4,100,000 of the general fund--state appropriation for fiscal
17 year 2010, \$4,174,000 of the general fund--state appropriation for
18 fiscal year 2011, and \$8,124,000 of the general fund--federal
19 appropriation are provided for the operation of the management services
20 division of the aging and disability services administration. This
21 includes but is not limited to the budget, contracts, accounting,
22 decision support, information technology, and rate development
23 activities for programs administered by the aging and disability
24 services administration. Nothing in this subsection is intended to
25 exempt the management services division of the aging and disability
26 services administration from reductions directed by the secretary.
27 However, funds provided in this subsection shall not be transferred
28 elsewhere within the department nor used for any other purpose.

29 **Sec. 207.** 2010 c 3 s 206 (uncodified) is amended to read as
30 follows:

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**
32 **PROGRAM**

33 General Fund--State Appropriation (FY 2010) ((\$557,452,000))
34 \$564,492,000

35 General Fund--State Appropriation (FY 2011) ((\$587,973,000))
36 \$581,459,000

37 General Fund--Federal Appropriation ((\$1,139,899,000))

1 (d) Provide quarterly fiscal reports to the office of financial
2 management and the legislative fiscal committees detailing information
3 on the amount expended from general fund--state and general fund--
4 federal by activity;

5 (e) Maintain the fiscal year 2009 grant standard for the temporary
6 assistance for needy families grant.

7 (2) The WorkFirst subcabinet, in partnership with the department of
8 social and health services, shall review and prepare a report on
9 services provided and accessed by both general population clients and
10 limited English proficiency clients. The review shall include
11 information on efficiencies and outcomes related to client services for
12 each client population. The report should identify services and
13 expenditures related to client outcomes in fiscal year 2010. The
14 report on these programs and client outcomes shall be reported to the
15 appropriate committees of the legislature no later than December 15,
16 2010.

17 (3) The department and the office of financial management shall
18 electronically report quarterly the expenditures, maintenance of effort
19 allotments, expenditure amounts, and caseloads for the WorkFirst
20 program to the legislative fiscal committees.

21 ~~((+3))~~ (4) \$16,783,000 of the general fund--state appropriation
22 for fiscal year 2011 and \$62,000,000 of the general fund--federal
23 appropriation are provided solely for all components of the WorkFirst
24 program in order to maintain services to January 2011. The legislature
25 intends to work with the governor to design and implement fiscal and
26 programmatic modifications to provide for the sustainability of the
27 program. The funding in this subsection assumes that no other
28 expenditure reductions will be made prior to January 2011 other than
29 those assumed in the appropriation levels in this act.

30 (5) ~~((\$84,856,000))~~ \$94,322,000 of the general fund--state
31 appropriation for fiscal year 2010 and ~~((\$95,173,000))~~ \$97,168,000 of
32 the general fund--state appropriation for fiscal year 2011, net of
33 recoveries, are provided solely for cash assistance and other services
34 to recipients in the ~~((general assistance unemployable program))~~ cash
35 program pursuant to chapter 8, Laws of 2010 1st sp. sess. (security
36 lifeline act), including persons in the unemployable, expedited, and
37 aged, blind, and disabled components of the program. It is the intent
38 of the legislature that the lifeline incapacity determination and

1 progressive evaluation process regulations be carefully designed to
2 accurately identify those persons who have been or will be
3 incapacitated for at least ninety days. The incapacity determination
4 and progressive evaluation process regulations in effect on January 1,
5 2010, cannot be amended until at least September 30, 2010; except that
6 provisions related to the use of administrative review teams may be
7 amended, and obsolete terminology and functional assessment language
8 may be updated on or after July 1, 2010, in a manner that only
9 minimally impacts the outcome of incapacity evaluations. After
10 September 30, 2010, the incapacity determination and progressive
11 evaluation process regulations may be amended only if the reports under
12 (a) and (b) of this subsection have been submitted, and find that
13 expenditures will exceed the appropriated level by three percent or
14 more.

15 (a) The department and the caseload forecast council shall, by
16 September 21, 2010, submit a report to the legislature based upon the
17 most recent caseload forecast and actual expenditure data available, as
18 to whether expenditures for the lifeline-unemployable grants in fiscal
19 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010
20 supplemental operating budget by three percent or more. If
21 expenditures will exceed the appropriated amount for lifeline-
22 unemployable grants by three percent or more, the department may adopt
23 regulations modifying incapacity determination and progressive
24 evaluation process regulations after September 30, 2010.

25 (b) On or before September 21, 2010, the department shall submit a
26 report to the relevant policy and fiscal committees of the legislature
27 that includes the following information regarding any regulations
28 proposed for adoption that would modify the lifeline incapacity
29 determination and progressive evaluation process:

30 (i) A copy of the proposed changes and a concise description of the
31 changes;

32 (ii) A description of the persons who would likely be affected by
33 adoption of the regulations, including their impairments, age,
34 education, and work history;

35 (iii) An estimate of the number of persons who, on a monthly basis
36 through June 2013, would be denied lifeline benefits if the regulations
37 were adopted, expressed as a number, as a percentage of total

1 applicants, and as a percentage of the number of persons granted
2 lifeline benefits in each month;

3 (iv) An estimate of the number of persons who, on a monthly basis
4 through June 2013, would have their lifeline benefits terminated
5 following an eligibility review if the regulations were adopted,
6 expressed as a number, as a percentage of the number of persons who
7 have had an eligibility review in each month, and as a percentage of
8 the total number of persons currently receiving lifeline-unemployable
9 benefits in each month; and

10 (v) Intended improvements in employment or treatment outcomes among
11 persons receiving lifeline benefits that could be attributable to the
12 changes in the regulations.

13 (c) Within these amounts:

14 ~~((a))~~ (i) The department shall aggressively pursue opportunities
15 to transfer ~~((general-assistance-unemployable))~~ lifeline clients to
16 general assistance expedited coverage and to facilitate client
17 applications for federal supplemental security income when the client's
18 incapacities indicate that he or she would be likely to meet the
19 federal disability criteria for supplemental security income. The
20 department shall initiate and file the federal supplemental security
21 income interim agreement as quickly as possible in order to maximize
22 the recovery of federal funds;

23 ~~((b))~~ (ii) The department shall review the ~~((general-assistance))~~
24 lifeline caseload to identify recipients that would benefit from
25 assistance in becoming naturalized citizens, and thus be eligible to
26 receive federal supplemental security income benefits. Those cases
27 shall be given high priority for naturalization funding through the
28 department;

29 ~~((c))~~ (iii) The department shall actively coordinate with local
30 workforce development councils to expedite access to worker retraining
31 programs for ~~((general-assistance-unemployable))~~ lifeline clients in
32 those regions of the state with the greatest number of such clients;

33 ~~((d))~~ (iv) By July 1, 2009, the department shall enter into an
34 interagency agreement with the department of veterans' affairs to
35 establish a process for referral of veterans who may be eligible for
36 veteran's services. This agreement must include outstationing
37 department of veterans' affairs staff in selected community service

1 office locations in King and Pierce counties to facilitate applications
2 for veterans' services; and

3 ~~((+e))~~ (v) In addition to any earlier evaluation that may have
4 been conducted, the department shall intensively evaluate those clients
5 who have been receiving ~~((general-assistance-unemployable))~~ lifeline
6 benefits for twelve months or more as of July 1, 2009, or thereafter,
7 if the available medical and incapacity related evidence indicates that
8 the client is unlikely to meet the disability standard for federal
9 supplemental security income benefits. The evaluation shall identify
10 services necessary to eliminate or minimize barriers to employment,
11 including mental health treatment, substance abuse treatment and
12 vocational rehabilitation services. The department shall expedite
13 referrals to chemical dependency treatment, mental health and
14 vocational rehabilitation services for these clients.

15 ~~((+f))~~ (vi) The appropriations in this subsection reflect a change
16 in the earned income disregard policy for ~~((general-assistance~~
17 ~~unemployable))~~ lifeline clients. It is the intent of the legislature
18 that the department shall adopt the temporary assistance for needy
19 families earned income policy for ~~((general-assistance-unemployable))~~
20 the lifeline program.

21 ~~((+4))~~ (6) \$750,000 of the general fund--state appropriation for
22 fiscal year 2010 and \$750,000 of the general fund--state appropriation
23 for fiscal year 2011 are provided solely for naturalization services.

24 ~~((+5))~~ (7)(a) \$3,550,000 of the general fund--state appropriation
25 for fiscal year 2010 is provided solely for refugee employment
26 services, of which \$2,650,000 is provided solely for the department to
27 pass through to statewide refugee assistance organizations for limited
28 English proficiency pathway services; and \$3,550,000 of the general
29 fund--state appropriation for fiscal year 2011 is provided solely for
30 refugee employment services, of which \$2,650,000 is provided solely for
31 the department to pass through to statewide refugee assistance
32 organizations for limited English proficiency pathway services.

33 (b) The legislature intends that the appropriation in this
34 subsection for the 2009-11 fiscal biennium will maintain funding for
35 refugee programs at a level at least equal to expenditures on these
36 programs in the 2007-09 fiscal biennium.

37 ~~((+6))~~ (8) The appropriations in this section reflect reductions
38 in the appropriations for the economic services administration's

1 administrative expenses. It is the intent of the legislature that
2 these reductions shall be achieved, to the greatest extent possible, by
3 reducing those administrative costs that do not affect direct client
4 services or direct service delivery or program.

5 (9) \$855,000 of the general fund--state appropriation for fiscal
6 year 2011, \$719,000 of the general fund--federal appropriation, and
7 \$2,907,000 of the general fund--private/local appropriation are
8 provided solely for the implementation of the opportunity portal, the
9 food stamp employment and training program, and the disability lifeline
10 program under Second Substitute House Bill No. 2782 (security lifeline
11 act). If the bill is not enacted by June 30, 2010, the amounts
12 provided in this subsection shall lapse.

13 (10) \$200,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for the department to award grants to
15 small mutual assistance or small community-based organizations that
16 contract with the department for immigrant and refugee assistance
17 services. The funds shall be awarded to provide funding for community
18 groups to provide transitional assistance, language skills, and other
19 resources to improve refugees' economic self-sufficiency through the
20 effective use of social services, financial services, and medical
21 assistance.

22 (11) \$250,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for increased funding for limited English
24 proficiency pathway programs.

25 **Sec. 208.** 2010 c 3 s 207 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
28 **SUBSTANCE ABUSE PROGRAM**

29	General Fund--State Appropriation (FY 2010)	((\$82,028,000))
30		<u>\$81,982,000</u>
31	General Fund--State Appropriation (FY 2011)	((\$84,682,000))
32		<u>\$82,393,000</u>
33	General Fund--Federal Appropriation	((\$145,604,000))
34		<u>\$148,034,000</u>
35	General Fund--Private/Local Appropriation	((\$2,719,000))
36		<u>\$2,718,000</u>
37	Criminal Justice Treatment Account--State	

1	Appropriation	((\$17,747,000))
2		<u>\$17,743,000</u>
3	Problem Gambling Account--State Appropriation	((\$1,459,000))
4		<u>\$1,456,000</u>
5	TOTAL APPROPRIATION	((\$334,239,000))
6		<u>\$334,326,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) Within the amounts appropriated in this section, the department
10 may contract with the University of Washington and community-based
11 providers for the provision of the parent-child assistance program.
12 For all contractors, indirect charges for administering the program
13 shall not exceed ten percent of the total contract amount.

14 (2) Within the amounts appropriated in this section, the department
15 shall continue to provide for chemical dependency treatment services
16 for adult medicaid eligible and general assistance-unemployable
17 patients.

18 (3) In addition to other reductions, the appropriations in this
19 section reflect reductions targeted specifically to state government
20 administrative costs. These administrative reductions shall be
21 achieved, to the greatest extent possible, by reducing those
22 administrative costs that do not affect direct client services or
23 direct service delivery or programs.

24 (4) \$2,247,000 of the general fund--state appropriation for fiscal
25 year 2011 is provided solely for the implementation of the lifeline
26 program under Second Substitute House Bill No. 2782 (security lifeline
27 act). If the bill is not enacted by June 30, 2010, the amount provided
28 in this subsection shall lapse.

29 (5) \$3,500,000 of the general fund--federal appropriation (from the
30 substance abuse prevention and treatment federal block grant) is
31 provided solely for the continued funding of existing county drug and
32 alcohol use prevention programs.

33 **Sec. 209.** 2010 c 3 s 208 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
36 **PROGRAM**

37 General Fund--State Appropriation (FY 2010) ((~~\$1,598,043,000~~))

1 payments to nursing homes operated by public hospital districts. The
2 public hospital district shall be responsible for providing the
3 required nonfederal match for the supplemental payment, and the
4 payments shall not exceed the maximum allowable under federal rules.
5 It is the legislature's intent that the payments shall be supplemental
6 to and shall not in any way offset or reduce the payments calculated
7 and provided in accordance with part E of chapter 74.46 RCW. It is the
8 legislature's further intent that costs otherwise allowable for rate-
9 setting and settlement against payments under chapter 74.46 RCW shall
10 not be disallowed solely because such costs have been paid by revenues
11 retained by the nursing home from these supplemental payments. The
12 supplemental payments are subject to retrospective interim and final
13 cost settlements based on the nursing homes' as-filed and final
14 medicare cost reports. The timing of the interim and final cost
15 settlements shall be at the department's discretion. During either the
16 interim cost settlement or the final cost settlement, the department
17 shall recoup from the public hospital districts the supplemental
18 payments that exceed the medicaid cost limit and/or the medicare upper
19 payment limit. The department shall apply federal rules for
20 identifying the eligible incurred medicaid costs and the medicare upper
21 payment limit.

22 (6) \$1,110,000 of the general fund--federal appropriation and
23 \$1,105,000 of the general fund--state appropriation for fiscal year
24 2011 are provided solely for grants to rural hospitals. The department
25 shall distribute the funds under a formula that provides a relatively
26 larger share of the available funding to hospitals that (a) serve a
27 disproportionate share of low-income and medically indigent patients,
28 and (b) have relatively smaller net financial margins, to the extent
29 allowed by the federal medicaid program.

30 (7) \$9,818,000 of the general fund--state appropriation for fiscal
31 year 2011, and \$9,865,000 of the general fund--federal appropriation
32 are provided solely for grants to nonrural hospitals. The department
33 shall distribute the funds under a formula that provides a relatively
34 larger share of the available funding to hospitals that (a) serve a
35 disproportionate share of low-income and medically indigent patients,
36 and (b) have relatively smaller net financial margins, to the extent
37 allowed by the federal medicaid program.

1 (8) The department shall continue the inpatient hospital certified
2 public expenditures program for the 2009-11 biennium. The program
3 shall apply to all public hospitals, including those owned or operated
4 by the state, except those classified as critical access hospitals or
5 state psychiatric institutions. The department shall submit reports to
6 the governor and legislature by November 1, 2009, and by November 1,
7 2010, that evaluate whether savings continue to exceed costs for this
8 program. If the certified public expenditures (CPE) program in its
9 current form is no longer cost-effective to maintain, the department
10 shall submit a report to the governor and legislature detailing
11 cost-effective alternative uses of local, state, and federal resources
12 as a replacement for this program. During fiscal year 2010 and fiscal
13 year 2011, hospitals in the program shall be paid and shall retain one
14 hundred percent of the federal portion of the allowable hospital cost
15 for each medicaid inpatient fee-for-service claim payable by medical
16 assistance and one hundred percent of the federal portion of the
17 maximum disproportionate share hospital payment allowable under federal
18 regulations. Inpatient medicaid payments shall be established using an
19 allowable methodology that approximates the cost of claims submitted by
20 the hospitals. Payments made to each hospital in the program in each
21 fiscal year of the biennium shall be compared to a baseline amount.
22 The baseline amount will be determined by the total of (a) the
23 inpatient claim payment amounts that would have been paid during the
24 fiscal year had the hospital not been in the CPE program based on the
25 reimbursement rates developed, implemented, and consistent with
26 policies approved in the 2009-11 biennial operating appropriations act
27 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
28 of the indigent assistance disproportionate share hospital payment
29 amounts paid to and retained by each hospital during fiscal year 2005,
30 and (c) all of the other disproportionate share hospital payment
31 amounts paid to and retained by each hospital during fiscal year 2005
32 to the extent the same disproportionate share hospital programs exist
33 in the 2009-11 biennium. If payments during the fiscal year exceed the
34 hospital's baseline amount, no additional payments will be made to the
35 hospital except the federal portion of allowable disproportionate share
36 hospital payments for which the hospital can certify allowable match.
37 If payments during the fiscal year are less than the baseline amount,
38 the hospital will be paid a state grant equal to the difference between

1 payments during the fiscal year and the applicable baseline amount.
2 Payment of the state grant shall be made in the applicable fiscal year
3 and distributed in monthly payments. The grants will be recalculated
4 and redistributed as the baseline is updated during the fiscal year.
5 The grant payments are subject to an interim settlement within eleven
6 months after the end of the fiscal year. A final settlement shall be
7 performed. To the extent that either settlement determines that a
8 hospital has received funds in excess of what it would have received as
9 described in this subsection, the hospital must repay the excess
10 amounts to the state when requested. \$20,403,000 of the general fund--
11 state appropriation for fiscal year 2010, of which \$6,570,000 ((of the
12 general fund--state appropriation for fiscal year 2010, which)) is
13 appropriated in section 204(1) of this act, and (((\$1,500,000 of the
14 general fund--state appropriation for fiscal year 2011, which))
15 \$29,480,000 of the general fund--state appropriation for fiscal year
16 2011, of which \$6,570,000 is appropriated in section 204(1) of this
17 act, are provided solely for state grants for the participating
18 hospitals. ((Sufficient amounts are appropriated in this section for
19 the remaining state grants for the participating hospitals.)) CPE
20 hospitals will receive the inpatient and outpatient reimbursement rate
21 restorations in section 9 and rate increases in section 10(1)(b) of
22 Engrossed Second Substitute House Bill No. 2956 (hospital safety net
23 assessment) funded through the hospital safety net assessment fund
24 rather than through the baseline mechanism specified in this
25 subsection.

26 (9) The department is authorized to use funds appropriated in this
27 section to purchase goods and supplies through direct contracting with
28 vendors when the department determines it is cost-effective to do so.

29 (10) \$93,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$93,000 of the general fund--federal appropriation are
31 provided solely for the department to pursue a federal Medicaid waiver
32 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
33 partnership plan). If the bill is not enacted by June 30, 2009, the
34 amounts provided in this subsection shall lapse.

35 (11) The department shall require managed health care systems that
36 have contracts with the department to serve medical assistance clients
37 to limit any reimbursements or payments the systems make to providers
38 not employed by or under contract with the systems to no more than the

1 medical assistance rates paid by the department to providers for
2 comparable services rendered to clients in the fee-for-service delivery
3 system.

4 (12) A maximum of (~~(\$166,875,000 of the general fund state~~
5 ~~appropriation and \$38,389,000 of the general fund federal)~~)
6 \$241,141,000 in total funds from the general fund--state, general
7 fund--federal, and tobacco and prevention control account--state
8 appropriations may be expended in the fiscal biennium for the (~~general~~
9 ~~assistance-unemployable~~) medical program pursuant to chapter 8, Laws
10 of 2010 1st sp. sess. (security lifeline act), and these amounts are
11 provided solely for this program. Of these amounts, \$10,749,000 of the
12 general fund--state appropriation for fiscal year 2010 and \$10,892,000
13 of the general fund--federal appropriation are provided solely for
14 payments to hospitals for providing outpatient services to low income
15 patients who are recipients of (~~general-assistance-unemployable~~)
16 lifeline benefits. Pursuant to RCW 74.09.035, the department shall not
17 expend for the (~~general-assistance~~) lifeline medical care services
18 program any amounts in excess of the amounts provided in this
19 subsection.

20 (13) (~~If the department determines that it is feasible within the~~
21 ~~amounts provided in subsection (16) of this section, and without the~~
22 ~~loss of federal disproportionate share hospital funds, the department~~
23 ~~shall contract with the carrier currently operating a managed care~~
24 ~~pilot project for the provision of medical care services to general~~
25 ~~assistance-unemployable clients.)) Mental health services shall be
26 included in the services provided through the managed care system(~~-~~
27 ~~If the department determines that it is feasible, effective October 1,~~
28 ~~2009, in addition to serving clients in the pilot counties, the carrier~~
29 ~~shall expand managed care services to clients residing in at least the~~
30 ~~following counties: Spokane, Yakima, Chelan, Kitsap, and Cowlitz. If~~
31 ~~the department determines that it is feasible, the carrier shall~~
32 ~~complete implementation into the remaining counties. Total per person~~
33 ~~costs to the state, including outpatient and inpatient services and any~~
34 ~~additional costs due to stop loss agreements, shall not exceed the per~~
35 ~~capita payments projected for the general assistance-unemployable~~
36 ~~eligibility category, by fiscal year, in the February 2009 medical~~
37 ~~assistance expenditures forecast)) for lifeline clients under chapter
38 8, Laws of 2010 1st sp. sess. In transitioning lifeline clients to~~~~

1 managed care, the department shall attempt to deliver care to lifeline
2 clients through medical homes in community and migrant health centers.
3 The department, in collaboration with the carrier, shall seek to
4 improve the transition rate of (~~general assistance~~) lifeline clients
5 to the federal supplemental security income program. The department
6 shall renegotiate the contract with the managed care plan that provides
7 services for lifeline clients to maximize state retention of future
8 hospital savings as a result of improved care coordination. The
9 department, in collaboration with stakeholders, shall propose a new
10 name for the lifeline program.

11 (14) The department shall evaluate the impact of the use of a
12 managed care delivery and financing system on state costs, savings, and
13 outcomes for (~~general assistance~~) lifeline medical clients. Outcomes
14 measured shall include state costs, utilization, changes in mental
15 health status and symptoms, and involvement in the criminal justice
16 system. Outcomes measured shall also include the total costs or
17 savings resulting from utilization changes due to care management, and
18 how much of those costs or savings accrued to the state and the managed
19 care organization. The department shall provide a report on these
20 outcomes to the relevant policy and fiscal committees of the
21 legislature by November 1, 2010. Monthly encounter data shall be
22 included in the report.

23 (15) The department shall report to the governor and the fiscal
24 committees of the legislature by June 1, 2010, on its progress toward
25 achieving a twenty percentage point increase in the generic
26 prescription drug utilization rate.

27 (16) State funds shall not be used by hospitals for advertising
28 purposes.

29 (17) \$24,356,000 of the general fund--private/local appropriation
30 and \$35,707,000 of the general fund--federal appropriation are provided
31 solely for the implementation of professional services supplemental
32 payment programs. The department shall seek a medicaid state plan
33 amendment to create a professional services supplemental payment
34 program for University of Washington medicine professional providers no
35 later than July 1, 2009. The department shall apply federal rules for
36 identifying the shortfall between current fee-for-service medicaid
37 payments to participating providers and the applicable federal upper
38 payment limit. Participating providers shall be solely responsible for

1 providing the local funds required to obtain federal matching funds.
2 Any incremental costs incurred by the department in the development,
3 implementation, and maintenance of this program will be the
4 responsibility of the participating providers. Participating providers
5 will retain the full amount of supplemental payments provided under
6 this program, net of any potential costs for any related audits or
7 litigation brought against the state. The department shall report to
8 the governor and the legislative fiscal committees on the prospects for
9 expansion of the program to other qualifying providers as soon as
10 feasibility is determined but no later than December 31, 2009. The
11 report will outline estimated impacts on the participating providers,
12 the procedures necessary to comply with federal guidelines, and the
13 administrative resource requirements necessary to implement the
14 program. The department will create a process for expansion of the
15 program to other qualifying providers as soon as it is determined
16 feasible by both the department and providers but no later than June
17 30, 2010.

18 (18) (~~(\$9,350,000)~~) \$9,075,000 of the general fund--state
19 appropriation for fiscal year 2010, (~~(\$8,313,000)~~) \$8,588,000 of the
20 general fund--state appropriation for fiscal year 2011, and
21 (~~(\$20,371,000)~~) \$39,747,000 of the general fund--federal appropriation
22 are provided solely for development and implementation of a replacement
23 system for the existing medicaid management information system. The
24 amounts provided in this subsection are conditioned on the department
25 satisfying the requirements of section 902 of this act.

26 (19) \$506,000 of the general fund--state appropriation for fiscal
27 year 2011 and \$657,000 of the general fund--federal appropriation are
28 provided solely for the implementation of Second Substitute House Bill
29 No. 1373 (children's mental health). If the bill is not enacted by
30 June 30, 2009, the amounts provided in this subsection shall lapse.

31 (20) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the department shall
32 pursue insurance claims on behalf of medicaid children served through
33 its in-home medically intensive child program under WAC 388-551-3000.
34 The department shall report to the Legislature by December 31, 2009, on
35 the results of its efforts to recover such claims.

36 (21) The department may, on a case-by-case basis and in the best
37 interests of the child, set payment rates for medically intensive home
38 care services to promote access to home care as an alternative to

1 hospitalization. Expenditures related to these increased payments
2 shall not exceed the amount the department would otherwise pay for
3 hospitalization for the child receiving medically intensive home care
4 services.

5 (22) \$425,000 of the general fund--state appropriation for fiscal
6 year 2010(~~(, \$425,000 of the general fund state appropriation for~~
7 ~~fiscal year 2011,)) and ((\$1,580,000)) \$790,000 of the general fund--
8 federal appropriation are provided solely to continue children's health
9 coverage outreach and education efforts under RCW 74.09.470. These
10 efforts shall rely on existing relationships and systems developed with
11 local public health agencies, health care providers, public schools,
12 the women, infants, and children program, the early childhood education
13 and assistance program, child care providers, newborn visiting nurses,
14 and other community-based organizations. The department shall seek
15 public-private partnerships and federal funds that are or may become
16 available to provide on-going support for outreach and education
17 efforts under the federal children's health insurance program
18 reauthorization act of 2009.~~

19 (23) The department, in conjunction with the office of financial
20 management, shall (~~reduce outpatient and inpatient hospital rates~~
21 ~~and~~) implement a prorated inpatient payment policy. (~~In determining~~
22 ~~the level of reductions needed, the department shall include in its~~
23 ~~calculations services paid under fee for service, managed care, and~~
24 ~~certified public expenditure payment methods; but reductions shall not~~
25 ~~apply to payments for psychiatric inpatient services or payments to~~
26 ~~critical access hospitals.))~~

27 (24) The department will pursue a competitive procurement process
28 for antihemophilic products, emphasizing evidence-based medicine and
29 protection of patient access without significant disruption in
30 treatment.

31 (25) The department will pursue several strategies towards reducing
32 pharmacy expenditures including but not limited to increasing generic
33 prescription drug utilization by 20 percentage points and promoting
34 increased utilization of the existing mail-order pharmacy program.

35 (26) The department shall reduce reimbursement for over-the-counter
36 medications while maintaining reimbursement for those over-the-counter
37 medications that can replace more costly prescription medications.

1 (27) The department shall seek public-private partnerships and
2 federal funds that are or may become available to implement health
3 information technology projects under the federal American recovery and
4 reinvestment act of 2009.

5 (28) The department shall target funding for maternity support
6 services towards pregnant women with factors that lead to higher rates
7 of poor birth outcomes, including hypertension, a preterm or low birth
8 weight birth in the most recent previous birth, a cognitive deficit or
9 developmental disability, substance abuse, severe mental illness,
10 unhealthy weight or failure to gain weight, tobacco use, or African
11 American or Native American race.

12 (29) \$260,036,000 of the hospital safety net assessment fund--state
13 appropriation __ and __ \$255,448,000 __ of __ the __ general __ fund--federal
14 appropriation are provided solely for the implementation of Engrossed
15 Second Substitute House Bill No. 2956 (hospital safety net assessment).
16 If the bill is not enacted by June 30, 2010, the amounts provided in
17 this subsection shall lapse.

18 (30) \$79,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$53,000 of the general fund--federal appropriation are
20 provided solely to implement Substitute House Bill No. 1845 (medical
21 support obligations).

22 ((+30+)) (31) \$63,000 of the general fund--state appropriation for
23 fiscal year 2010, \$583,000 of the general fund--state appropriation for
24 fiscal year 2011, and \$864,000 of the general fund--federal
25 appropriation are provided solely to implement Engrossed House Bill No.
26 2194 (extraordinary medical placement for offenders). The department
27 shall work in partnership with the department of corrections to
28 identify services and find placements for offenders who are released
29 through the extraordinary medical placement program. The department
30 shall collaborate with the department of corrections to identify and
31 track cost savings to the department of corrections, including medical
32 cost savings, and to identify and track expenditures incurred by the
33 aging and disability services program for community services and by the
34 medical assistance program for medical expenses. A joint report
35 regarding the identified savings and expenditures shall be provided to
36 the office of financial management and the appropriate fiscal
37 committees of the legislature by November 30, 2010. If this bill is

1 not enacted by June 30, 2009, the amounts provided in this subsection
2 shall lapse.

3 ~~((+31+))~~ (32) \$73,000 of the general fund--state appropriation for
4 fiscal year 2011 and \$50,000 of the general fund--federal appropriation
5 is provided solely for supplemental services that will be provided to
6 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
7 2010 (Substitute Senate Bill No. 6639).

8 (33) Sufficient amounts are provided in this section to provide
9 full benefit dual eligible beneficiaries with medicare part D
10 prescription drug copayment coverage in accordance with RCW 74.09.520.

11 (34) In addition to other reductions, the appropriations in this
12 section reflect reductions targeted specifically to state government
13 administrative costs. These administrative reductions shall be
14 achieved, to the greatest extent possible, by reducing those
15 administrative costs that do not affect providers, direct client
16 services, or direct service delivery or programs.

17 (35) The department shall contract with an organization that
18 provides medication therapy management services to increase the use of
19 lower cost alternative medications, improve patient compliance with
20 prescribed regimens, reduce harmful side effects from medication, and
21 ensure that medications achieve their desired therapeutic results. The
22 department shall not contract for these services unless the contractor
23 guarantees that the services will generate savings, as measured by the
24 department's actual experience after implementation, that are greater
25 than the cost of the contracted services.

26 (36) \$331,000 of the general fund--state appropriation for fiscal
27 year 2010, \$331,000 of the general fund--state appropriation for fiscal
28 year 2011, and \$1,228,000 of the general fund--federal appropriation
29 are provided solely for the department to support the activities of the
30 Washington poison center. The department shall seek federal authority
31 to receive matching funds from the federal government through the
32 children's health insurance program.

33 (37) \$528,000 of the general fund--state appropriation and
34 \$2,955,000 of the general fund--federal appropriation are provided
35 solely for the implementation of the lifeline program under chapter 8,
36 Laws of 2010 1st sp. sess. (security lifeline act).

37 (38) If the cost of a brand name drug, after receiving discounted

1 prices and rebates, is less than the cost of the generic version of the
2 drug for the medical assistance program, the brand name drug shall be
3 purchased.

4 (39) The department shall propose a new medicaid prescription drug
5 pricing benchmark to replace the average wholesale price (AWP), and
6 report on the transition plan, the potential impact on stakeholders,
7 and impact on state expenditures for the 2011-13 biennium to the
8 governor and the fiscal committees of the legislature by November 1,
9 2010. This effort will include collaboration with stakeholders and be
10 consistent with the recommendations of the American medicaid pharmacy
11 administrators association and the national association of medicaid
12 directors working group on post-AWP pricing and reimbursement.

13 (40) Sufficient amounts are provided in this section to provide
14 medicaid school-based medical services.

15 (41) The department shall pursue all opportunities to maximize
16 discounted drug pricing through the 340B drug pricing program in
17 section 340B of the public health service act. The department shall
18 report its findings to the governor and the fiscal committees of the
19 legislature by December 1, 2010.

20 (42) The department shall develop a transition plan from a fee-for-
21 service delivery system to a managed care delivery system for aged,
22 blind, and disabled clients eligible for medical assistance coverage by
23 June 1, 2011.

24 (43) Reductions in dental services are to be achieved by focusing
25 on the fastest growing areas of dental care. Reductions in
26 preventative care, particularly for children, will be avoided to the
27 extent possible.

28 (44) The department shall develop the capability to implement apple
29 health for kids express lane eligibility enrollments for children
30 receiving basic food assistance by June 30, 2011.

31 (45)(a) The department, in coordination with the health care
32 authority, shall actively continue to negotiate a medicaid section 1115
33 waiver with the federal centers for medicare and medicaid services that
34 would provide federal matching funds for services provided to persons
35 enrolled in the basic health plan under chapter 70.47 RCW and the
36 medical care services program under RCW 74.09.035.

37 (b) If the waiver in (a) of this subsection is granted, the
38 department and the health care authority may implement the waiver if it

1 allows the program to remain within appropriated levels, after
2 providing notice of its terms and conditions to the relevant policy and
3 fiscal committees of the legislature in writing thirty days prior to
4 the planned implementation date of the waiver.

5 (46) \$704,000 of the general fund--state appropriation for fiscal
6 year 2010, \$812,000 of the general fund--state appropriation for fiscal
7 year 2011, and \$1,516,000 of the general fund--federal appropriation
8 are provided solely for maintaining employer-sponsored insurance
9 program staff, coordination of benefits unit staff, the payment
10 integrity audit team, and family planning nursing.

11 (47) For healthy options managed care rates established on or after
12 July 1, 2010, the department shall pay health plans operating in the
13 same county the same base capitation rates for that county, with plan-
14 specific adjustments related to risk characteristics of the plan's
15 members including age, gender, and diagnostic-based risk adjustments,
16 such as chronic disability payment system risk scores. The department
17 shall provide preliminary rates for the upcoming fiscal year to all the
18 healthy options plans and the fiscal committees of the legislature by
19 September 30, 2010.

20 (48) Every effort shall be made to maintain current employment
21 levels and achieve administrative savings through vacancies and
22 employee attrition. Efficiencies shall be implemented as soon as
23 possible in order to minimize actual reduction in force. The
24 department shall implement a management strategy that minimizes
25 disruption of service and negative impacts on employees.

26 **Sec. 210.** 2010 c 3 s 209 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
29 **REHABILITATION PROGRAM**

30	General Fund--State Appropriation (FY 2010)	((\$10,451,000))
31		<u>\$10,327,000</u>
32	General Fund--State Appropriation (FY 2011)	((\$10,125,000))
33		<u>\$10,077,000</u>
34	General Fund--Federal Appropriation	((\$83,534,000))
35		<u>\$107,961,000</u>
36	Telecommunications Devices for the Hearing and	
37	Speech Impaired--State Appropriation	((\$1,979,000))

1 \$5,976,000
 2 TOTAL APPROPRIATION ((~~\$106,089,000~~))
 3 \$134,341,000

4 The appropriations in this section are subject to the following
 5 conditions and limitations: The vocational rehabilitation program
 6 shall coordinate closely with the economic services program to serve
 7 (~~general assistance unemployable~~) lifeline clients under chapter 8,
 8 Laws of 2010 1st sp. sess. who are referred for eligibility
 9 determination and vocational rehabilitation services, and shall make
 10 every effort, within the requirements of the federal rehabilitation act
 11 of 1973, to serve these clients.

12 **Sec. 211.** 2010 c 3 s 210 (uncodified) is amended to read as
 13 follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
 15 **PROGRAM**

16 General Fund--State Appropriation (FY 2010) ((~~\$49,818,000~~))
 17 \$48,827,000
 18 General Fund--State Appropriation (FY 2011) ((~~\$47,259,000~~))
 19 \$46,922,000
 20 TOTAL APPROPRIATION ((~~\$97,077,000~~))
 21 \$95,749,000

22 **Sec. 212.** 2010 c 3 s 211 (uncodified) is amended to read as
 23 follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
 25 **SUPPORTING SERVICES PROGRAM**

26 General Fund--State Appropriation (FY 2010) ((~~\$34,425,000~~))
 27 \$33,604,000
 28 General Fund--State Appropriation (FY 2011) ((~~\$34,627,000~~))
 29 \$29,407,000
 30 General Fund--Federal Appropriation ((~~\$55,169,000~~))
 31 \$51,119,000
 32 General Fund--Private/Local Appropriation ((~~\$1,526,000~~))
 33 \$1,121,000
 34 Institutional Impact Account--State Appropriation \$22,000
 35 TOTAL APPROPRIATION ((~~\$125,747,000~~))
 36 \$115,273,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: In addition to other reductions, the
3 appropriations in this section reflect reductions targeted specifically
4 to state government administrative costs. These administrative
5 reductions shall be achieved, to the greatest extent possible, by
6 reducing those administrative costs that do not affect direct client
7 services or direct service delivery or programs.

8 (1) (~~(\$150,000)~~) \$333,000 of the general fund--state appropriation
9 for fiscal year 2010 and (~~(\$150,000)~~) \$300,000 of the general fund--
10 state appropriation for fiscal year 2011 are provided solely for the
11 Washington state mentors program to continue its public-private
12 partnerships to provide technical assistance and training to mentoring
13 programs that serve at-risk youth.

14 (2) \$445,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$445,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for funding of the teamchild
17 project through the governor's juvenile justice advisory committee.

18 (3) \$178,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$178,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the juvenile detention
21 alternatives initiative.

22 (4) Amounts appropriated in this section reflect a reduction to the
23 family policy council. The family policy council shall reevaluate
24 staffing levels and administrative costs to ensure to the extent
25 possible a maximum ratio of grant moneys provided and administrative
26 costs.

27 (5) Amounts appropriated in this section reflect a reduction to the
28 council on children and families. The council on children and families
29 shall reevaluate staffing levels and administrative costs to ensure to
30 the extent possible a maximum ratio of grant moneys provided and
31 administrative costs.

32 (6) The department shall not reduce funding to the governor's
33 juvenile justice advisory committee from the amounts appropriated for
34 this purpose in chapter 564, Laws of 2009.

35 (7) \$25,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided for the department, in collaboration with the
37 department of health and the health care authority, to report to the
38 fiscal committees of the legislature by November 1, 2010, on estimates

1 of the full costs and savings to all state-purchased health care from
2 the inclusion of coverage for the diagnosis and treatment of autism
3 spectrum disorders for individuals less than twenty-one years of age.
4 Autism spectrum disorders are defined to mean any of the pervasive
5 developmental disorders defined by the most recent edition of the
6 diagnostic and statistical manual of mental disorders. Coverage must
7 include all medically necessary care which is defined to include any
8 care, treatment, intervention, service, or item that is prescribed,
9 provided, or ordered by a licensed physician or licensed psychologist.
10 Treatment of autism spectrum disorders includes the following care
11 prescribed, ordered, or provided for an individual diagnosed with one
12 of the autism spectrum disorders by a licensed physician or licensed
13 psychologist who determines the care to be medically necessary: (a)
14 Habilitative or rehabilitative care; (b) pharmacy care, except when
15 plans do not offer any pharmacy benefits; (c) psychiatric care; and (d)
16 psychological care. The estimates should fully consider all potential
17 offsets to currently funded care and services and should consider
18 including the coverage of the diagnosis and treatment of autism
19 spectrum disorders within the currently mandated provision of mental
20 health benefits.

21 **Sec. 213.** 2009 c 564 s 213 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
24 **AGENCIES PROGRAM**

25	General Fund--State Appropriation (FY 2010)	((\$53,431,000))
26		<u>\$61,985,000</u>
27	General Fund--State Appropriation (FY 2011)	((\$53,472,000))
28		<u>\$61,461,000</u>
29	General Fund--Federal Appropriation	((\$49,494,000))
30		<u>\$56,572,000</u>
31	TOTAL APPROPRIATION	((\$156,397,000))
32		<u>\$180,018,000</u>

33 **Sec. 214.** 2009 c 564 s 214 (uncodified) is amended to read as
34 follows:

35 **FOR THE STATE HEALTH CARE AUTHORITY**

36	General Fund--State Appropriation (FY 2010)	((\$206,295,000))
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1 their current income as a condition of continued eligibility; (d)
2 require enrollees for whom employment security payroll records cannot
3 be obtained to document their current income at least once every six
4 months; (e) not reduce gross family income for self-employed persons by
5 noncash-flow expenses such as, but not limited to, depreciation,
6 amortization, and home office deductions, as defined by the United
7 States internal revenue service; and (f) pursue repayment and civil
8 penalties from persons who have received excessive subsidies, as
9 provided in RCW 70.47.060(9).

10 (4)(a) In order to maximize the funding appropriated for the basic
11 health plan, the health care authority is directed to make
12 modifications that will reduce the total number of subsidized enrollees
13 to approximately 65,000 by January 1, 2010. In addition to the reduced
14 enrollment, other modifications may include changes in enrollee premium
15 obligations, changes in benefits, enrollee cost-sharing, and
16 termination of the enrollment of individuals concurrently enrolled in
17 a medical assistance program as provided in Substitute House Bill No.
18 2341.

19 (b) The health care authority shall coordinate with the department
20 of social and health services to negotiate a medicaid section 1115
21 waiver with the federal centers for medicare and medicaid services that
22 would provide matching funds for services provided to persons enrolled
23 in the basic health plan under chapter 70.47 RCW.

24 (c) If the waiver in (b) of this subsection is granted, the health
25 care authority may implement the waiver if it allows the program to
26 remain within appropriated levels, after providing notice of its terms
27 and conditions to the relevant policy and fiscal committees of the
28 legislature in writing thirty days prior to the planned implementation
29 date of the waiver.

30 (5) \$250,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$250,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the implementation of
33 Substitute Senate Bill No. 5360 (community collaboratives). If the
34 bill is not enacted by June 30, 2009, the amounts provided in this
35 section shall lapse.

36 (6) The ((~~department~~)) authority shall seek public-private
37 partnerships and federal funds that are or may become available to

1 implement health information technology projects under the federal
2 American recovery and reinvestment act of 2009.

3 (7)(a) \$2,495,000 of the general fund--state appropriation for
4 fiscal year 2011 is provided solely for the authority for grants to two
5 pilot projects, one each based in Spokane and Whatcom counties, to
6 provide a full continuum of health care services to low-income adults.
7 The pilot project in Spokane county shall aim for an enrollment of five
8 hundred individuals and the pilot project in Whatcom county shall aim
9 for an enrollment of one thousand individuals. All individuals
10 enrolled in the pilot projects shall meet the criteria in (b) of this
11 subsection. Grantees must demonstrate experience in working with an
12 established network of health care providers in the county capable of
13 providing continuity of health care services that may include a primary
14 care medical home and catastrophic insurance coverage, to low-income
15 adults. Expectations of grantees will include: Coordinating public,
16 private, and volunteer efforts within the county to maximize
17 participation within the grant funds available; and providing
18 continuity of care to participants that promotes improved health
19 outcomes as determined by the health care authority. Grantees will
20 submit reports as directed by the health care authority.

21 (b) In order to participate in a pilot, eligible low-income adults
22 must have an income at or below two hundred percent of the federal
23 poverty level; reside in the county where the project is based; be on
24 the basic health waiting list at the time of application to
25 participate; have no other health insurance coverage; and not be
26 eligible for full-scope medical assistance programs, federal medicare
27 programs, or health insurance through their employer. Grantees may
28 require participants to meet other criteria, such as qualifying for
29 health insurance coverage and paying premiums or other costs in order
30 to participate in the pilot.

31 (c) The authority, in collaboration with the grantees of the pilots
32 in (a) of this subsection, shall seek any federal funds that may be
33 available with the enactment of federal health care reform.

34 (8) In the event that the authority markets a nonsubsidized version
35 of the basic health plan, the authority must also provide information
36 on other health care coverage options to potential clients.

37 (9) \$20,000 of the general fund--state appropriation for fiscal

1 year 2010 and \$63,000 of the general fund--state appropriation for
2 fiscal year 2011 are provided solely for the implementation of chapter
3 220, Laws of 2010 (accountable care organizations).

4 **Sec. 215.** 2010 c 3 s 212 (uncodified) is amended to read as
5 follows:

6 **FOR THE HUMAN RIGHTS COMMISSION**

7	General Fund--State Appropriation (FY 2010)	\$2,638,000
8	General Fund--State Appropriation (FY 2011)	(\$2,533,000)
9		<u>\$2,511,000</u>
10	General Fund--Federal Appropriation	(\$1,299,000)
11		<u>\$1,584,000</u>
12	TOTAL APPROPRIATION	(\$6,470,000)
13		<u>\$6,733,000</u>

14 **Sec. 216.** 2009 c 564 s 216 (uncodified) is amended to read as
15 follows:

16 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

17	Worker and Community Right-to-Know Account--	
18	State Appropriation	\$20,000
19	Accident Account--State Appropriation	(\$18,453,000)
20		<u>\$18,139,000</u>
21	Medical Aid Account--State Appropriation	(\$18,453,000)
22		<u>\$18,139,000</u>
23	TOTAL APPROPRIATION	(\$36,926,000)
24		<u>\$36,298,000</u>

25 **Sec. 217.** 2009 c 564 s 217 (uncodified) is amended to read as
26 follows:

27 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

28	General Fund--State Appropriation (FY 2010)	(\$19,146,000)
29		<u>\$17,273,000</u>
30	General Fund--State Appropriation (FY 2011)	(\$19,176,000)
31		<u>\$17,843,000</u>
32	<u>General Fund--Federal Appropriation</u>	<u>\$143,000</u>
33	General Fund--Private/Local Appropriation	(\$200,000)
34		<u>\$1,303,000</u>
35	Death Investigations Account--State Appropriation	\$148,000

1	Municipal Criminal Justice Assistance Account--	
2	State Appropriation	\$460,000
3	Washington Auto Theft Prevention Authority Account--	
4	State Appropriation	\$5,844,000
5	TOTAL APPROPRIATION	(\$44,974,000)
6		<u>\$43,014,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 ~~(1) ((\$1,874,000 of the general fund state appropriation for~~
10 ~~fiscal year 2010 and \$1,922,000 of the general fund state~~
11 ~~appropriation for fiscal year 2011 are provided solely for 10~~
12 ~~additional basic law enforcement academies in fiscal year 2010 and 10~~
13 ~~additional basic law enforcement academies in fiscal year 2011.~~

14 ~~(2))~~ \$1,191,000 of the general fund--state appropriation for
15 fiscal year 2010 and \$1,191,000 of the general fund--state
16 appropriation for fiscal year 2011 are provided solely for the
17 Washington association of sheriffs and police chiefs to continue to
18 develop, maintain, and operate the jail booking and reporting system
19 (JBRS) and the statewide automated victim information and notification
20 system (SAVIN).

21 ~~((3))~~ (2) \$5,000,000 of the general fund--state appropriation for
22 fiscal year 2010 and \$5,000,000 of the general fund--state
23 appropriation for fiscal year 2011, are provided to the Washington
24 association of sheriffs and police chiefs solely to verify the address
25 and residency of registered sex offenders and kidnapping offenders
26 under RCW 9A.44.130. The Washington association of sheriffs and police
27 chiefs shall:

28 (a) Enter into performance-based agreements with units of local
29 government to ensure that registered offender address and residency are
30 verified:

- 31 (i) For level I offenders, every twelve months;
- 32 (ii) For level II offenders, every six months; and
- 33 (iii) For level III offenders, every three months.

34 For the purposes of this subsection, unclassified offenders and
35 kidnapping offenders shall be considered at risk level I unless in the
36 opinion of the local jurisdiction a higher classification is in the
37 interest of public safety.

1 (b) Collect performance data from all participating jurisdictions
2 sufficient to evaluate the efficiency and effectiveness of the address
3 and residency verification program; and

4 (c) Submit a report on the effectiveness of the address and
5 residency verification program to the governor and the appropriate
6 committees of the house of representatives and senate by December 31,
7 each year.

8 The Washington association of sheriffs and police chiefs may retain up
9 to three percent of the amount provided in this subsection for the cost
10 of administration. Any funds not disbursed for address and residency
11 verification or retained for administration may be allocated to local
12 prosecutors for the prosecution costs associated with failing-to-
13 register offenses.

14 ~~((4))~~ (3) \$30,000 of the general fund--state appropriation for
15 fiscal year 2010 is provided solely for the implementation of Second
16 Substitute House Bill No. 2078 (persons with developmental disabilities
17 in correctional facilities or jails). If the bill is not enacted by
18 June 30, 2009, the amount provided in this subsection shall lapse.

19 (4) \$171,000 of the general fund--local appropriation is provided
20 solely to purchase ammunition for the basic law enforcement academy.
21 Jurisdictions with one hundred or more full-time commissioned officers
22 shall reimburse to the criminal justice training commission the costs
23 of ammunition, based on the average cost of ammunition per cadet, for
24 cadets that they enroll in the basic law enforcement academy.

25 (5) The criminal justice training commission may not run a basic
26 law enforcement academy class of fewer than 30 students.

27 (6) \$1,500,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for continuing the enforcement of illegal
29 drug laws in the rural pilot project enforcement areas as set forth in
30 chapter 339, Laws of 2006.

31 **Sec. 218.** 2009 c 564 s 218 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

34	General Fund--State Appropriation (FY 2010)	((\$24,224,000))
35		<u>\$24,975,000</u>
36	General Fund--State Appropriation (FY 2011)	((\$25,237,000))
37		<u>\$19,336,000</u>

1	((General Fund--Federal Appropriation \$100,000))	
2	General Fund--Federal Appropriation	(((\$10,000,000))
3		<u>\$10,100,000</u>
4	Asbestos Account--State Appropriation	(((\$924,000))
5		<u>\$923,000</u>
6	Electrical License Account--State Appropriation	(((\$43,162,000))
7		<u>\$36,977,000</u>
8	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
9	Worker and Community Right-to-Know Account--	
10	State Appropriation	(((\$1,979,000))
11		<u>\$1,987,000</u>
12	Public Works Administration Account--State	
13	Appropriation	(((\$5,764,000))
14		<u>\$6,021,000</u>
15	Manufactured Home Installation Training Account--	
16	State Appropriation	(((\$138,000))
17		<u>\$143,000</u>
18	Accident Account--State Appropriation	(((\$248,281,000))
19		<u>\$250,509,000</u>
20	Accident Account--Federal Appropriation	(((\$13,622,000))
21		<u>\$13,621,000</u>
22	Medical Aid Account--State Appropriation	(((\$249,537,000))
23		<u>\$249,232,000</u>
24	Medical Aid Account--Federal Appropriation	\$3,186,000
25	Plumbing Certificate Account--State Appropriation	(((\$1,693,000))
26		<u>\$1,704,000</u>
27	Pressure Systems Safety Account--State Appropriation . .	(((\$3,775,000))
28		<u>\$4,144,000</u>
29	TOTAL APPROPRIATION	(((\$631,650,000))
30		<u>\$622,886,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations:

- 33 (1) Pursuant to RCW 43.135.055, the department is authorized to
34 increase fees related to factory assembled structures, contractor
35 registration, electricians, plumbers, asbestos removal, boilers,
36 elevators, and manufactured home installers. These increases are
37 necessary to support expenditures authorized in this section,

1 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
2 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

3 (2) \$424,000 of the accident account--state appropriation and
4 \$76,000 of the medical aid account--state appropriation are provided
5 solely for implementation of a community agricultural worker safety
6 grant at the department of agriculture. The department shall enter
7 into an interagency agreement with the department of agriculture to
8 implement the grant.

9 (3) \$4,850,000 of the medical aid account--state appropriation is
10 provided solely to continue the program of safety and health as
11 authorized by RCW 49.17.210 to be administered under rules adopted
12 pursuant to chapter 34.05 RCW, provided that projects funded involve
13 workplaces insured by the medical aid fund, and that priority is given
14 to projects fostering accident prevention through cooperation between
15 employers and employees or their representatives.

16 (4) \$150,000 of the medical aid account--state appropriation is
17 provided solely for the department to contract with one or more
18 independent experts to evaluate and recommend improvements to the
19 rating plan under chapter 51.18 RCW, including analyzing how risks are
20 pooled, the effect of including worker premium contributions in
21 adjustment calculations, incentives for accident and illness
22 prevention, return-to-work practices, and other sound risk-management
23 strategies that are consistent with recognized insurance principles.

24 (5) The department shall continue to conduct utilization reviews of
25 physical and occupational therapy cases at the 24th visit. The
26 department shall continue to report performance measures and targets
27 for these reviews on the agency web site. The reports are due
28 September 30th for the prior fiscal year and must include the amount
29 spent and the estimated savings per fiscal year.

30 (6) The appropriations in this section reflect reductions in the
31 appropriations for the department of labor and industries'
32 administrative expenses. It is the intent of the legislature that
33 these reductions shall be achieved, to the greatest extent possible, by
34 reducing administrative costs only.

35 (7) \$500,000 of the accident account--state appropriation is
36 provided solely for the department to contract with one or more
37 independent experts to oversee and assist the department's
38 implementation of improvements to the rating plan under chapter 51.18

1 RCW, in collaboration with the department and with the department's
2 work group of retrospective rating and workers' compensation
3 stakeholders. The independent experts will validate the impact of
4 recommended changes on retrospective rating participants and
5 nonparticipants, confirm implementation technology changes, and provide
6 other implementation assistance as determined by the department.

7 (8) \$194,000 of the accident account--state appropriation and
8 \$192,000 of the medical aid account--state appropriation are provided
9 solely for implementation of Senate Bill No. 5346 (health care
10 administrative procedures). ~~((If the bill is not enacted by June 30,
11 2009, the amounts provided in this subsection shall lapse.))~~

12 (9) \$131,000 of the accident account--state appropriation and
13 \$128,000 of the medical aid account--state appropriation are provided
14 solely for implementation of Senate Bill No. 5613 (stop work orders).
15 ~~((If the bill is not enacted by June 30, 2009, the amounts provided in
16 this subsection shall lapse.))~~

17 (10) \$68,000 of the accident account--state appropriation and
18 \$68,000 of the medical aid account--state appropriation are provided
19 solely for implementation of Senate Bill No. 5688 (registered domestic
20 partners). ~~((If the bill is not enacted by June 30, 2009, the amounts
21 provided in this subsection shall lapse.))~~

22 (11) \$320,000 of the accident account--state appropriation and
23 \$147,000 of the medical aid account--state appropriation are provided
24 solely for implementation of Senate Bill No. 5873 (apprenticeship
25 utilization). ~~((If the bill is not enacted by June 30, 2009, the
26 amounts provided in this subsection shall lapse.~~

27 ~~(15))~~ (12) \$73,000 of the general fund--state appropriation for
28 fiscal year 2010, \$66,000 of the general fund--state appropriation for
29 fiscal year 2011, \$606,000 of the accident account--state
30 appropriation, and \$600,000 of the medical aid account--state
31 appropriation are provided solely for the implementation of House Bill
32 No. 1555 (underground economy). ~~((If the bill is not enacted by June
33 30, 2009, the amounts provided in this subsection shall lapse.~~

34 ~~(16))~~ (13) \$574,000 of the accident account--state appropriation
35 and \$579,000 of the medical account--state appropriation are provided
36 solely for the implementation of House Bill No. 1402 (industrial
37 insurance appeals). ~~((If the bill is not enacted by June 30, 2009, the
38 amounts provided in this subsection shall lapse.))~~

1 (14) Within statutory guidelines, the boiler program shall explore
2 opportunities to increase program efficiency. Strategies may include
3 the consolidation of routine multiple inspections to the same site and
4 trip planning to ensure the least number of miles traveled.

5 (15) \$16,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$50,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for the crime victims compensation
8 program to pay claims for mental health services for crime victim
9 compensation program clients who have an established relationship with
10 a mental health provider and subsequently obtain coverage under the
11 medicaid program or the medical care services program under chapter
12 74.09 RCW. Prior to making such payment, the program must have
13 determined that payment for the specific treatment or provider is not
14 available under the medicaid or medical care services program. In
15 addition, the program shall make efforts to contact any healthy options
16 or medical care services health plan in which the client may be
17 enrolled to help the client obtain authorization to pay the claim on an
18 out-of-network basis.

19 (16) \$48,000 of the accident account--state appropriation and
20 \$48,000 of the medical aid account--state appropriation are provided
21 solely for the implementation of Substitute House Bill No. 2789
22 (issuance of subpoenas for purposes of agency investigations of
23 underground economic activity). If the bill is not enacted by June 30,
24 2010, the amount provided in this subsection shall lapse.

25 (17) \$71,000 of the general fund--state appropriation for fiscal
26 year 2011 is provided solely for implementation of Senate Bill No. 6349
27 (farm internship program). If the bill is not enacted by June 30,
28 2010, the amount provided in this subsection shall lapse.

29 (18) \$127,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$133,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the department to provide
32 benefits in excess of the cap established by sections 1 and 2, chapter
33 122, Laws of 2010. These benefits shall be paid for claimants who were
34 determined eligible for and who were receiving crime victims'
35 compensation benefits because they were determined to be permanently
36 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
37 2010. The director shall establish, by May 1, 2010, a process to aid

1 crime victims' compensation recipients in identifying and applying for
2 appropriate alternative benefit programs.

3 (19) \$155,000 of the public works administration account--state
4 appropriation is provided solely for the implementation of Engrossed
5 House Bill No. 2805 (offsite prefabricated items). If the bill is not
6 enacted by June 30, 2010, the amount provided in this subsection shall
7 lapse.

8 **Sec. 219.** 2010 c 3 s 213 (uncodified) is amended to read as
9 follows:

10 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

11	General Fund--State Appropriation (FY 2010)	\$1,882,000
12	General Fund--State Appropriation (FY 2011)	((\$1,886,000))
13		<u>\$1,864,000</u>
14	TOTAL APPROPRIATION	((\$3,768,000))
15		<u>\$3,746,000</u>

16 **Sec. 220.** 2009 c 564 s 220 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

19 (1) HEADQUARTERS

20	General Fund--State Appropriation (FY 2010)	\$1,913,000
21	General Fund--State Appropriation (FY 2011)	((\$1,899,000))
22		<u>\$1,865,000</u>
23	Charitable, Educational, Penal, and Reformatory	
24	Institutions Account--State Appropriation	\$10,000
25	TOTAL APPROPRIATION	((\$3,822,000))
26		<u>\$3,788,000</u>

27 The appropriations in this subsection are subject to the following
28 conditions and limitations: In addition to other reductions, the
29 appropriations in this section reflect reductions targeted specifically
30 to state government administrative costs. These administrative
31 reductions shall be achieved, to the greatest extent possible, by
32 reducing those administrative costs that do not affect direct client
33 services or direct service delivery or programs.

34 (2) FIELD SERVICES

35	General Fund--State Appropriation (FY 2010)	\$4,885,000
36	General Fund--State Appropriation (FY 2011)	((\$4,943,000))

1 General Fund--Private/Local Appropriation ((~~\$31,734,000~~))
 2 \$34,189,000
 3 TOTAL APPROPRIATION ((~~\$89,008,000~~))
 4 \$90,231,000

5 The appropriations in this subsection are subject to the following
 6 conditions and limitations:

7 (a) In addition to other reductions, the appropriations in this
 8 section reflect reductions targeted specifically to state government
 9 administrative costs. These administrative reductions shall be
 10 achieved, to the greatest extent possible, by reducing those
 11 administrative costs that do not affect direct client services or
 12 direct service delivery or programs.

13 (b) The reductions in this subsection shall be achieved through
 14 savings from contract revisions and shall not impact the availability
 15 of goods and services for residents of the three state veterans homes.

16 **Sec. 221.** 2010 c 3 s 214 (uncodified) is amended to read as
 17 follows:

18 **FOR THE DEPARTMENT OF HEALTH**

19 General Fund--State Appropriation (FY 2010) ((~~\$107,413,000~~))
 20 \$98,414,000
 21 General Fund--State Appropriation (FY 2011) ((~~\$82,806,000~~))
 22 \$81,735,000
 23 General Fund--Federal Appropriation ((~~\$480,871,000~~))
 24 \$564,379,000
 25 General Fund--Private/Local Appropriation ((~~\$138,846,000~~))
 26 \$162,237,000
 27 Hospital Data Collection Account--State Appropriation ((~~\$326,000~~))
 28 \$218,000
 29 Health Professions Account--State Appropriation ((~~\$76,218,000~~))
 30 \$82,850,000
 31 Aquatic Lands Enhancement Account--State Appropriation \$603,000
 32 Emergency Medical Services and Trauma Care Systems
 33 Trust Account--State Appropriation ((~~\$13,531,000~~))
 34 \$13,206,000
 35 Safe Drinking Water Account--State Appropriation ((~~\$2,723,000~~))
 36 \$2,731,000
 37 Drinking Water Assistance Account--Federal

1	Appropriation	((\$22,817,000))
2		<u>\$22,862,000</u>
3	Waterworks Operator Certification--State	
4	Appropriation	((\$1,519,000))
5		<u>\$1,522,000</u>
6	Drinking Water Assistance Administrative Account--	
7	State Appropriation	\$326,000
8	State Toxics Control Account--State Appropriation . . .	((\$3,600,000))
9		<u>\$4,106,000</u>
10	Medical Test Site Licensure Account--State	
11	Appropriation	((\$2,117,000))
12		<u>\$2,261,000</u>
13	Youth Tobacco Prevention Account--State Appropriation . . .	\$1,512,000
14	Public Health Supplemental Account--Private/Local	
15	Appropriation	((\$3,525,000))
16		<u>\$3,804,000</u>
17	<u>Community and Economic Development Fee Account--State</u>	
18	<u>Appropriation</u>	<u>\$298,000</u>
19	Accident Account--State Appropriation	((\$295,000))
20		<u>\$292,000</u>
21	Medical Aid Account--State Appropriation	\$48,000
22	Tobacco Prevention and Control Account--	
23	State Appropriation	((\$46,852,000))
24		<u>\$44,196,000</u>
25	Biotoxin Account--State Appropriation	((\$1,165,000))
26		<u>\$1,163,000</u>
27	TOTAL APPROPRIATION	((\$987,113,000))
28		<u>\$1,088,763,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) The department of health shall not initiate any services that
32 will require expenditure of state general fund moneys unless expressly
33 authorized in this act or other law. The department of health and the
34 state board of health shall not implement any new or amended rules
35 pertaining to primary and secondary school facilities until the rules
36 and a final cost estimate have been presented to the legislature, and
37 the legislature has formally funded implementation of the rules through
38 the omnibus appropriations act or by statute. The department may seek,

1 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
2 moneys not anticipated in this act as long as the federal funding does
3 not require expenditure of state moneys for the program in excess of
4 amounts anticipated in this act. If the department receives
5 unanticipated unrestricted federal moneys, those moneys shall be spent
6 for services authorized in this act or in any other legislation that
7 provides appropriation authority, and an equal amount of appropriated
8 state moneys shall lapse. Upon the lapsing of any moneys under this
9 subsection, the office of financial management shall notify the
10 legislative fiscal committees. As used in this subsection,
11 "unrestricted federal moneys" includes block grants and other funds
12 that federal law does not require to be spent on specifically defined
13 projects or matched on a formula basis by state funds.

14 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
15 is authorized to establish and raise fees in fiscal year 2011 as
16 necessary to meet the actual costs of conducting business and the
17 appropriation levels in this section. This authorization applies to
18 fees for the review of sewage tank designs, fees related to regulation
19 and inspection of farmworker housing, and fees associated with the
20 following professions: Acupuncture, dental, denturist, mental health
21 counselor, __ nursing, __ nursing __ assistant, __ optometry, __ radiologic
22 technologist, recreational therapy, respiratory therapy, social worker,
23 cardiovascular invasive specialist, and practitioners authorized under
24 chapter 18.240 RCW.

25 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
26 authorized to establish fees by the amount necessary to fully support
27 the cost of activities related to the administration of long-term care
28 worker certification. The department is further authorized to increase
29 fees by the amount necessary to implement the regulatory requirements
30 of the following bills: House Bill No. 1414 (health care assistants),
31 House Bill No. 1740 (dental residency licenses), and House Bill No.
32 1899 (retired active physician licenses).

33 ((+3)) (4) \$764,000 of the health professions account--state
34 appropriation is provided solely for the medical quality assurance
35 commission to maintain disciplinary staff and associated costs
36 sufficient to reduce the backlog of disciplinary cases and to continue
37 to manage the disciplinary caseload of the commission.

1 ~~((4))~~ (5) \$57,000 of the general fund--state appropriation for
2 fiscal year 2010 and \$58,000 of the general fund--state appropriation
3 for fiscal year 2011 are provided solely for the midwifery licensure
4 and regulatory program to offset a reduction in revenue from fees.
5 ~~((There shall be no change to the current annual fees for new or
6 renewed licenses for the midwifery program.))~~ The department shall
7 convene the midwifery advisory committee on a quarterly basis to
8 address issues related to licensed midwifery. The appropriations in
9 this section assume that the current application and renewal fee for
10 midwives shall be increased by fifty dollars and all other fees for
11 midwives be adjusted accordingly.

12 ~~((5))~~ (6) Funding for the human papillomavirus vaccine shall not
13 be included in the department's universal vaccine purchase program in
14 fiscal year 2010. Remaining funds for the universal vaccine purchase
15 program shall be used to continue the purchase of all other vaccines
16 included in the program until May 1, 2010, ~~((or until state funds are
17 exhausted,))~~ at which point state funding for the universal vaccine
18 purchase program shall be discontinued. ~~((Funds from section 317 of
19 the federal public health services act direct assistance shall not be
20 used in lieu of state funds.~~

21 ~~(6))~~ (7) Beginning July 1, 2010, the department, in collaboration
22 with the department of social and health services, shall maximize the
23 use of existing federal funds, including section 317 of the federal
24 public health services act direct assistance as well as federal funds
25 that may become available under the American recovery and reinvestment
26 act, in order to continue to provide immunizations for low-income,
27 nonmedicaid eligible children up to three hundred percent of the
28 federal poverty level in state-sponsored health programs.

29 ~~((7))~~ (8) The department shall eliminate outreach activities for
30 the health care directives registry and use the remaining amounts to
31 maintain the contract for the registry and minimal staffing necessary
32 to administer the basic entry functions for the registry.

33 ~~((8))~~ (9) Funding in this section reflects a temporary reduction
34 of resources for the 2009-11 fiscal biennium for the state board of
35 health to conduct health impact reviews.

36 ~~((9))~~ (10) Pursuant to RCW 43.135.055 and 43.70.125, the
37 department is authorized to adopt rules to establish a fee schedule to
38 apply to applicants for initial certification surveys of health care

1 facilities for purposes of receiving federal health care program
2 reimbursement. The fees shall only apply when the department has
3 determined that federal funding is not sufficient to compensate the
4 department for the cost of conducting initial certification surveys.
5 The fees for initial certification surveys may be established as
6 follows: Up to \$1,815 for ambulatory surgery centers, up to \$2,015 for
7 critical access hospitals, up to \$980 for end stage renal disease
8 facilities, up to \$2,285 for home health agencies, up to \$2,285 for
9 hospice agencies, up to \$2,285 for hospitals, up to \$520 for
10 rehabilitation facilities, up to \$690 for rural health clinics, and up
11 to \$7,000 for transplant hospitals.

12 ~~((+10))~~ (11) Funding for family planning grants for fiscal year
13 2011 is reduced in the expectation that federal funding shall become
14 available to expand coverage of services for individuals through
15 programs at the department of social and health services. In the event
16 that such funding is not provided, the legislature intends to continue
17 funding through a supplemental appropriation at fiscal year 2010
18 levels. \$4,500,000 of the general fund--state appropriation is
19 provided solely for the department of health-funded family planning
20 clinic grants due to federal funding not becoming available.

21 ~~((+11))~~ (12) \$16,000,000 of the tobacco prevention and control
22 account--state appropriation is provided solely for local health
23 jurisdictions to conduct core public health functions as defined in RCW
24 43.70.514.

25 ~~((+12))~~ (13) \$100,000 of the health professions account
26 appropriation is provided solely for implementation of Substitute House
27 Bill No. 1414 (health care assistants). If the bill is not enacted by
28 June 30, 2009, the amount provided in this subsection shall lapse.

29 ~~((+13))~~ (14) \$42,000 of the health professions account--state
30 appropriation is provided solely to implement Substitute House Bill No.
31 1740 (dentistry license issuance). If the bill is not enacted by June
32 30, 2009, the amount provided in this section shall lapse.

33 ~~((+14))~~ (15) \$23,000 of the health professions account--state
34 appropriation is provided solely to implement Second Substitute House
35 Bill No. 1899 (retired active physician licenses). If the bill is not
36 enacted by June 30, 2009, the amount provided in this section shall
37 lapse.

1 ~~((15))~~ (16) \$12,000 of the general fund--state appropriation for
2 fiscal year 2010 and \$67,000 of the general fund--private/local
3 appropriation are provided solely to implement House Bill No. 1510
4 (birth certificates). If the bill is not enacted by June 30, 2009, the
5 amount provided in this section shall lapse.

6 ~~((16))~~ (17) \$31,000 of the health professions account is provided
7 for the implementation of Second Substitute Senate Bill No. 5850 (human
8 trafficking). If the bill is not enacted by June 2009, the amount
9 provided in this subsection shall lapse.

10 ~~((17))~~ (18) \$282,000 of the health professions account is
11 provided for the implementation of Substitute Senate Bill No. 5752
12 (dentists cost recovery). If the bill is not enacted by June 2009, the
13 amount provided in this subsection shall lapse.

14 ~~((18))~~ (19) \$106,000 of the health professions account is
15 provided for the implementation of Substitute Senate Bill No. 5601
16 (speech language assistants). If the bill is not enacted by June 2009,
17 the amount provided in this subsection shall lapse.

18 (20) Subject to existing resources, the department of health is
19 encouraged to examine, in the ordinary course of business, current and
20 prospective programs, treatments, education, and awareness of
21 cardiovascular disease that are needed for a thriving and healthy
22 Washington.

23 (21) \$400,500 from the health professions account is appropriated
24 to fund nursing commission programs related to discipline, impaired
25 practitioner programs, and expedited credentialing. Funding comes from
26 a reduction in the \$20 fees that nurses pay for access to University of
27 Washington library resources.

28 (22) \$390,000 of the health professions account--state
29 appropriation is provided solely to implement chapter 169, Laws of 2010
30 (nursing assistants). The amount provided in this subsection is from
31 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

32 (23) \$10,000 of the health professions account--state appropriation
33 for fiscal year 2010 and \$40,000 of the health professions
34 account--state appropriation for fiscal year 2011 are provided solely
35 for the department to study cost effective options for collecting
36 demographic data related to the health care professions workforce to be
37 submitted to the legislature by December 1, 2010.

1 (24) \$66,000 of the health professions account--state appropriation
2 is provided solely to implement chapter 209, Laws of 2010 (pain
3 management).

4 (25) \$10,000 of the health professions account--state appropriation
5 is provided solely to implement chapter 92, Laws of 2010
6 (cardiovascular invasive specialists).

7 (26) \$23,000 of the general fund--state appropriation is provided
8 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
9 etc.).

10 (27) The department is authorized to coordinate a tobacco cessation
11 media campaign using all appropriate media with the purpose of
12 maximizing the use of quit-line services and youth smoking prevention.

13 (28) For all contracts for smoking cessation and awareness services
14 agreed to after the effective date of this section, at least ten
15 percent of the value of that contract shall be dedicated to supporting
16 smoking cessation and prevention programs for underserved and hard to
17 reach populations, including populations with smoking rates higher than
18 the state average.

19 (29) It is the intent of the legislature that the reductions in
20 appropriations to the AIDS/HIV programs shall be achieved, to the
21 greatest extent possible, by reducing those state government
22 administrative costs that do not affect direct client services or
23 direct service delivery or programs. The agency shall, to the greatest
24 extent possible, reduce spending in those areas that shall have the
25 least impact on implementing these programs.

26 (30) \$400,000 of the state toxics control account--state
27 appropriation is provided solely for granting to a willing local public
28 entity to provide emergency water supplies or water treatment for
29 households with individuals at high public health risk from nitrate-
30 contaminated wells in the lower Yakima basin.

31 (31) \$100,000 of the state toxics control account--state
32 appropriation is provided solely for an interagency contract to the
33 department of ecology to grant to agencies involved in improving
34 groundwater quality in the lower Yakima Valley. These agencies will
35 develop a local plan for improving water quality and reducing nitrate
36 contamination. The department of ecology will report to the
37 appropriate committees of the legislature and to the office of

1 financial management no later than December 1, 2010, summarizing
2 progress towards developing and implementing this plan.

3 NEW SECTION. **Sec. 222.** A new section is added to 2009 c 564
4 (uncodified) to read as follows:

5 **FOR THE DEPARTMENT OF CORRECTIONS.** The appropriations to the
6 department of corrections in this act shall be expended for the
7 programs and in the amounts specified herein. However, after May 1,
8 2010, after approval by the director of financial management and unless
9 specifically prohibited by this act, the department may transfer
10 general fund--state appropriations for fiscal year 2010 between
11 programs. The department shall not transfer funds, and the director of
12 financial management shall not approve the transfer, unless the
13 transfer is consistent with the objective of conserving, to the maximum
14 extent possible, the expenditure of state funds and not federal funds.
15 The director of financial management shall notify the appropriate
16 fiscal committees of the senate and house of representatives in writing
17 seven days prior to approving any deviations from appropriation levels.
18 The written notification shall include a narrative explanation and
19 justification of the changes, along with expenditures and allotments by
20 budget unit and appropriation, both before and after any allotment
21 modifications or transfers.

22 **Sec. 223.** 2010 c 3 s 215 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF CORRECTIONS**

25 (1) ADMINISTRATION AND SUPPORT SERVICES

26	General Fund--State Appropriation (FY 2010)	((\$55,622,000))
27		<u>\$55,772,000</u>
28	General Fund--State Appropriation (FY 2011)	((\$56,318,000))
29		<u>\$55,417,000</u>
30	TOTAL APPROPRIATION	((\$111,940,000))
31		<u>\$111,189,000</u>

32 The appropriations in this subsection are subject to the following
33 conditions and limitations:

34 (a) Within funds appropriated in this section, the department shall
35 seek contracts for chemical dependency vendors to provide chemical
36 dependency treatment of offenders in corrections facilities, including

1 corrections centers and community supervision facilities, which have
2 demonstrated effectiveness in treatment of offenders and are able to
3 provide data to show a successful treatment rate.

4 (b) \$35,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$35,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the support of a statewide
7 council on mentally ill offenders that includes as its members
8 representatives of community-based mental health treatment programs,
9 current or former judicial officers, and directors and commanders of
10 city and county jails and state prison facilities. The council will
11 investigate and promote cost-effective approaches to meeting the long-
12 term needs of adults and juveniles with mental disorders who have a
13 history of offending or who are at-risk of offending, including their
14 mental health, physiological, housing, employment, and job training
15 needs.

16 (2) CORRECTIONAL OPERATIONS

17	General Fund--State Appropriation (FY 2010)	((\$456,657,000))
18		<u>\$458,503,000</u>
19	General Fund--State Appropriation (FY 2011)	((\$626,303,000))
20		<u>\$600,657,000</u>
21	General Fund--Federal Appropriation	((\$185,131,000))
22		<u>\$186,719,000</u>
23	((General Fund--Private/Local Appropriation	\$3,536,000))
24	Washington Auto Theft Prevention Authority Account--	
25	State Appropriation	((\$5,960,000))
26		<u>\$5,936,000</u>
27	<u>State Efficiency and Restructuring Account--State</u>	
28	<u>Appropriation</u>	<u>\$34,522,000</u>
29	TOTAL APPROPRIATION	((\$1,277,587,000))
30		<u>\$1,286,337,000</u>

31 The appropriations in this subsection are subject to the following
32 conditions and limitations:

33 (a) The department may expend funds generated by contractual
34 agreements entered into for mitigation of severe overcrowding in local
35 jails. Any funds generated in excess of actual costs shall be
36 deposited in the state general fund. Expenditures shall not exceed
37 revenue generated by such agreements and shall be treated as a recovery
38 of costs.

1 (b) The department shall accomplish personnel reductions with the
2 least possible impact on correctional custody staff, community custody
3 staff, and correctional industries. For the purposes of this
4 subsection, correctional custody staff means employees responsible for
5 the direct supervision of offenders.

6 (c) During the 2009-11 biennium, when contracts are established or
7 renewed for offender pay phone and other telephone services provided to
8 inmates, the department shall select the contractor or contractors
9 primarily based on the following factors: (i) The lowest rate charged
10 to both the inmate and the person paying for the telephone call; and
11 (ii) the lowest commission rates paid to the department, while
12 providing reasonable compensation to cover the costs of the department
13 to provide the telephone services to inmates and provide sufficient
14 revenues for the activities funded from the institutional welfare
15 betterment account.

16 (d) The Harborview medical center and the University of Washington
17 medical center shall provide inpatient and outpatient hospital services
18 to offenders confined in department of corrections facilities at a rate
19 no greater than the average rate that the department has negotiated
20 with other community hospitals in Washington state.

21 (e) A political subdivision which is applying for funding to
22 mitigate one-time impacts associated with construction or expansion of
23 a correctional institution, consistent with WAC 137-12A-030, may apply
24 for the mitigation funds in the fiscal biennium in which the impacts
25 occur or in the immediately succeeding fiscal biennium.

26 (f) Within amounts provided in this subsection, the department,
27 jointly with the department of social and health services, shall
28 identify the number of offenders released through the extraordinary
29 medical placement program, the cost savings to the department of
30 corrections, including estimated medical cost savings, and the costs
31 for medical services in the community incurred by the department of
32 social and health services. The department and the department of
33 social and health services shall jointly report to the office of
34 financial management and the appropriate fiscal committees of the
35 legislature by November 30, 2010.

36 (g) \$11,863,000 of the general fund--state appropriation for fiscal
37 year 2010, \$11,864,000 of the general fund--state appropriation for
38 fiscal year 2011, and \$2,336,000 of the general fund-private/local

1 appropriation are provided solely for in-prison evidence-based programs
2 and for the reception diagnostic center program as part of the offender
3 re-entry initiative.

4 (h) The department shall appropriately transition offenders from
5 custody as close as possible to the offender's earned release date
6 without adversely affecting public safety. The number of offenders
7 held beyond their earned release date should not exceed the number of
8 offenders held beyond their earned release date in fiscal year 2008.
9 By June 1, 2010, the department shall provide a report on its offender
10 population to the office of financial management and the legislative
11 fiscal committees. The report shall include (i) an explanation for the
12 increase in the adult inmate population between the November 2009
13 forecast and the February 2010 forecast; (ii) an explanation for the
14 increase in the number of offenders held beyond their earned release
15 date between fiscal year 2008 and calendar year 2009; and (iii) a
16 description of the department's actions to reduce and maintain the
17 number of offenders held beyond their earned release date to the
18 population level from fiscal year 2008, and a timetable for achieving
19 that goal.

20 (i) The appropriations in this subsection are based on savings
21 assumed from decreasing the offender population at the McNeil Island
22 corrections center to 256 minimum security offenders, decreasing the
23 offender population at the Larch corrections center to 240 offenders,
24 the closure of the Ahtanum View corrections center, and the closure of
25 the Pine Lodge corrections center for women.

26 (3) COMMUNITY SUPERVISION

27	General Fund--State Appropriation (FY 2010)	((\$151,249,000))
28		<u>\$150,729,000</u>
29	General Fund--State Appropriation (FY 2011)	((\$141,785,000))
30		<u>\$139,945,000</u>
31	TOTAL APPROPRIATION	((\$293,034,000))
32		<u>\$290,674,000</u>

33 The appropriations in this subsection are subject to the following
34 conditions and limitations:

35 (a) The department shall accomplish personnel reductions with the
36 least possible impact on correctional custody staff, community custody
37 staff, and correctional industries. For the purposes of this

1 subsection, correctional custody staff means employees responsible for
2 the direct supervision of offenders.

3 (b) \$2,083,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$2,083,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
6 (state institutions/release). If the bill is not enacted by June 30,
7 2009, the amounts provided in this subsection shall lapse.

8 (c) The appropriations in this subsection are based upon savings
9 assumed from the implementation of Engrossed Substitute Senate Bill No.
10 5288 (supervision of offenders).

11 (d) \$2,791,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$3,166,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for evidence-based community
14 programs and for community justice centers as part of the offender re-
15 entry initiative.

16 (e) \$418,300 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the purposes of settling all claims in
18 Hilda Solis, Secretary of Labor, United States Department of Labor v.
19 State of Washington, Department of Corrections, United States District
20 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The
21 expenditure of this amount is contingent on the release of all claims
22 in the case, and total settlement costs shall not exceed the amount
23 provided in this subsection. If settlement is not fully executed by
24 June 30, 2010, the amount provided in this subsection shall lapse.

25 (f) \$984,000 of the general fund--state appropriation for fiscal
26 year 2011 is provided solely for supplemental services that will be
27 provided to offenders in lieu of a prison sentence, pursuant to chapter
28 224, Laws of 2010 (confinement alternatives).

29 (4) CORRECTIONAL INDUSTRIES

30	General Fund--State Appropriation (FY 2010)	\$2,574,000
31	General Fund--State Appropriation (FY 2011)	(\$2,565,000)
32		<u>\$2,547,000</u>
33	TOTAL APPROPRIATION	(\$5,139,000)
34		<u>\$5,121,000</u>

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$132,000 of the general fund--state
37 appropriation for fiscal year 2010 and \$132,000 of the general fund--
38 state appropriation for fiscal year 2011 are provided solely for

1 transfer to the jail industries board. The board shall use the amounts
2 provided only for administrative expenses, equipment purchases, and
3 technical assistance associated with advising cities and counties in
4 developing, promoting, and implementing consistent, safe, and efficient
5 offender work programs.

6 (5) INTERAGENCY PAYMENTS

7	General Fund--State Appropriation (FY 2010)	((\$40,455,000))
8		<u>\$40,728,000</u>
9	General Fund--State Appropriation (FY 2011)	((\$40,450,000))
10		<u>\$40,084,000</u>
11	TOTAL APPROPRIATION	((\$80,905,000))
12		<u>\$80,812,000</u>

13 The appropriations in this subsection are subject to the following
14 conditions and limitations:

15 (a) The state prison institutions may use funds appropriated in
16 this subsection to rent uniforms from correctional industries in
17 accordance with existing legislative mandates.

18 (b) The state prison medical facilities may use funds appropriated
19 in this subsection to purchase goods and supplies through hospital or
20 other group purchasing organizations when it is cost effective to do
21 so.

22 **Sec. 224.** 2009 c 564 s 224 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

25	General Fund--State Appropriation (FY 2010)	((\$2,544,000))
26		<u>\$2,504,000</u>
27	General Fund--State Appropriation (FY 2011)	((\$2,550,000))
28		<u>\$2,390,000</u>
29	General Fund--Federal Appropriation	((\$18,125,000))
30		<u>\$18,116,000</u>
31	General Fund--Private/Local Appropriation	((\$20,000))
32		<u>\$30,000</u>
33	TOTAL APPROPRIATION	((\$23,239,000))
34		<u>\$23,040,000</u>

35 The amounts appropriated in this section are subject to the
36 following conditions and limitations: Sufficient amounts are

1 appropriated in this section to support contracts for services that
2 provide employment support and help with life activities for deaf and
3 blind individuals in King county.

4 **Sec. 225.** 2010 c 3 s 216 (uncodified) is amended to read as
5 follows:

6 **FOR THE SENTENCING GUIDELINES COMMISSION**

7 General Fund--State Appropriation (FY 2010) \$962,000

8 General Fund--State Appropriation (FY 2011) (~~(\$960,000)~~)

9 \$948,000

10 TOTAL APPROPRIATION (~~(\$1,922,000)~~)

11 \$1,910,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) Within the amounts appropriated in this section, the sentencing
15 guidelines commission, in partnership with the courts, shall develop a
16 plan to implement an evidence-based system of community custody for
17 adult felons that will include the consistent use of evidence-based
18 risk and needs assessment tools, programs, supervision modalities, and
19 monitoring of program integrity. The plan for the evidence-based
20 system of community custody shall include provisions for identifying
21 cost-effective rehabilitative programs; identifying offenders for whom
22 such programs would be cost-effective; monitoring the system for cost-
23 effectiveness; and reporting annually to the legislature. In
24 developing the plan, the sentencing guidelines shall consult with: The
25 Washington state institute for public policy; the legislature; the
26 department of corrections; local governments; prosecutors; defense
27 attorneys; victim advocate groups; law enforcement; the Washington
28 federation of state employees; and other interested entities. The
29 sentencing guidelines commission shall report its recommendations to
30 the governor and the legislature by December 1, 2009.

31 (2)(a) Except as provided in subsection (b), during the 2009-11
32 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)
33 and (h) shall be prepared within the available funds and may be delayed
34 or suspended at the discretion of the commission.

35 (b) The commission shall submit the analysis described in section
36 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
37 1, 2011.

1 security act (Reed act). This amount is authorized to continue current
2 unemployment insurance functions and department services to employers
3 and job seekers.

4 (2) \$32,067,000 of the unemployment compensation administration
5 account--federal appropriation is provided from amounts made available
6 to the state by section 903(d) and (f) of the social security act (Reed
7 act). This amount is authorized to fund the replacement of the
8 unemployment insurance tax information system (TAXIS) for the
9 employment security department. This section is subject to section 902
10 of this act.

11 (3) \$110,000 of the unemployment compensation administration
12 account--federal appropriation is provided solely for implementation of
13 Senate Bill No. 5804 (leaving part time work voluntarily). ~~((If the
14 bill is not enacted by June 30, 2009, the amounts provided in this
15 subsection shall lapse.))~~

16 (4) \$1,263,000 of the unemployment compensation administration
17 account--federal appropriation is provided solely for implementation of
18 Senate Bill No. 5963 (unemployment insurance). ~~((If the bill is not
19 enacted by June 30, 2009, the amounts provided in this subsection shall
20 lapse.))~~

21 (5) \$159,000 of the unemployment compensation account--federal
22 appropriation is provided solely for the implementation of House Bill
23 No. 1555 (underground economy) from funds made available to the state
24 by section 903(d) of the social security act (Reed act).

25 (6) ~~(\$293,000)~~ \$295,000 of the administrative contingency--state
26 appropriation for fiscal year 2010 is provided solely for the
27 implementation of House Bill No. 2227 (evergreen jobs act). ~~((If the
28 bill is not enacted by June 30, 2009, the amounts provided in this
29 subsection shall lapse.))~~

30 (7) \$7,000,000 of the general fund--state appropriation for fiscal
31 year 2010 is provided solely for the implementation of Senate Bill No.
32 5809 (WorkForce employment and training). ~~((If the bill is not enacted
33 by June 30, 2009, the amounts provided in this subsection shall
34 lapse.))~~

35 (8) \$444,000 of the unemployment compensation administration
36 account--federal appropriation is provided solely for the
37 implementation of Substitute Senate Bill No. 6524 (unemployment
38 insurance penalties and contribution rates) from funds made available

1 to the state by section 903 (d) or (f) of the social security act (Reed
2 12 act). If the bill is not enacted by June 30, 2010, the amount
3 provided in this subsection shall lapse.

4 (9) \$232,000 of the unemployment compensation administration
5 account--federal appropriation from funds made available to the state
6 by section 903(c) or (f) of the social security act (Reed act) is
7 provided solely for the implementation of Substitute House Bill No.
8 2789 (underground economic activity). If the bill is not enacted by
9 June 30, 2010, the amount provided in this subsection shall lapse.

10 **Sec. 227.** 2009 c 564 s 221 (uncodified) is amended to read as
11 follows:

12 **FOR THE HOME CARE QUALITY AUTHORITY**

13	General Fund--State Appropriation (FY 2010)	\$1,229,000
14	((General Fund--State Appropriation (FY 2011)	\$1,221,000
15	TOTAL APPROPRIATION	\$2,450,000))

(End of Part)

PART III
NATURAL RESOURCES

Sec. 301. 2009 c 564 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2010)	\$441,000
General Fund--State Appropriation (FY 2011)	(\$445,000)
	<u>\$440,000</u>
General Fund--Federal Appropriation	\$30,000
General Fund--Private/Local Appropriation	(\$864,000)
	<u>\$845,000</u>
TOTAL APPROPRIATION	(\$1,780,000)
	<u>\$1,756,000</u>

Sec. 302. 2010 c 3 s 301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	(\$59,991,000)
	<u>\$58,552,000</u>
General Fund--State Appropriation (FY 2011)	(\$58,047,000)
	<u>\$52,725,000</u>
General Fund--Federal Appropriation	(\$82,452,000)
	<u>\$82,079,000</u>
General Fund--Private/Local Appropriation	(\$16,668,000)
	<u>\$16,688,000</u>
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,679,000)
	<u>\$3,649,000</u>
Flood Control Assistance Account--State Appropriation	(\$1,965,000)
	<u>\$1,943,000</u>
<u>State Emergency Water Projects Revolving Account--State Appropriation</u>	<u>\$240,000</u>
Waste Reduction/Recycling/Litter Control--State	

1	Appropriation	((\$14,554,000))
2		<u>\$12,467,000</u>
3	<u>State Drought Preparedness Account--State</u>	
4	<u>Appropriation</u>	<u>\$4,000,000</u>
5	State and Local Improvements Revolving Account	
6	(Water Supply Facilities)--State Appropriation	((\$426,000))
7		<u>\$424,000</u>
8	Freshwater Aquatic Algae Control Account--State	
9	Appropriation	((\$509,000))
10		<u>\$508,000</u>
11	Water Rights Tracking System Account--State	
12	Appropriation	\$116,000
13	Site Closure Account--State Appropriation	((\$706,000))
14		<u>\$922,000</u>
15	Wood Stove Education and Enforcement Account--	
16	State Appropriation	\$612,000
17	Worker and Community Right-to-Know Account--	
18	State Appropriation	((\$1,670,000))
19		<u>\$1,663,000</u>
20	State Toxics Control Account--State	
21	Appropriation	((\$101,705,000))
22		<u>\$106,642,000</u>
23	State Toxics Control Account--Private/Local	
24	Appropriation	((\$383,000))
25		<u>\$379,000</u>
26	Local Toxics Control Account--State Appropriation	((\$24,730,000))
27		<u>\$24,690,000</u>
28	Water Quality Permit Account--State Appropriation	((\$37,433,000))
29		<u>\$37,018,000</u>
30	Underground Storage Tank Account--State	
31	Appropriation	((\$3,298,000))
32		<u>\$3,270,000</u>
33	Biosolids Permit Account--State Appropriation	((\$1,413,000))
34		<u>\$1,866,000</u>
35	Hazardous Waste Assistance Account--State	
36	Appropriation	((\$5,930,000))
37		<u>\$5,880,000</u>
38	Air Pollution Control Account--State Appropriation	((\$2,030,000))

1 (5) \$811,000 of the state toxics account--state appropriation is
2 provided solely for oversight of toxic cleanup at facilities that
3 treat, store, and dispose of hazardous wastes.

4 (6) \$1,456,000 of the state toxics account--state appropriation is
5 provided solely for toxic cleanup at sites where willing parties
6 negotiate prepayment agreements with the department and provide
7 necessary funding.

8 (7) \$558,000 of the state toxics account--state appropriation and
9 \$3,000,000 of the local toxics account--state appropriation are
10 provided solely for grants and technical assistance to Puget Sound-area
11 local governments engaged in updating shoreline master programs.

12 (8) \$950,000 of the state toxics control account--state
13 appropriation is provided solely for measuring water and habitat
14 quality to determine watershed health and assist salmon recovery,
15 beginning in fiscal year 2011.

16 (9) RCW 70.105.280 authorizes the department to assess reasonable
17 service charges against those facilities that store, treat, incinerate,
18 or dispose of dangerous or extremely hazardous waste that involves both
19 a nonradioactive hazardous component and a radioactive component.
20 Service charges may not exceed the costs to the department in carrying
21 out the duties in RCW 70.105.280. The current service charges do not
22 meet the costs of the department to carry out its duties. Pursuant to
23 RCW 43.135.055 and 70.105.280, the department is authorized to increase
24 the service charges no greater than 18 percent for fiscal year 2010 and
25 no greater than 15 percent for fiscal year 2011. Such service charges
26 shall include all costs of public participation grants awarded to
27 qualified entities by the department pursuant to RCW 70.105D.070(5) for
28 facilities at which such grants are recognized as a component of a
29 community relations or public participation plan authorized or required
30 as an element of a consent order, federal facility agreement or agreed
31 order entered into or issued by the department pursuant to any federal
32 or state law governing investigation and remediation of releases of
33 hazardous substances. Public participation grants funded by such
34 service charges shall be in addition to, and not in place of, any other
35 grants made pursuant to RCW 70.105D.070(5). Costs for the public
36 participation grants shall be billed individually to the mixed waste
37 facility associated with the grant.

1 (10) The department is authorized to increase the following fees in
2 the 2009-2011 biennium as necessary to meet the actual costs of
3 conducting business and the appropriation levels in this section:
4 Environmental lab accreditation, dam safety and inspection, biosolids
5 permitting, air emissions new source review, and manufacturer
6 registration and renewal.

7 (11) \$63,000 of the state toxics control account--state
8 appropriation is provided solely for implementation of Substitute
9 Senate Bill No. 5797 (solid waste handling permits). If the bill is
10 not enacted by June 30, 2009, the amount provided in this subsection
11 shall lapse.

12 (12) \$225,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$193,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for implementation of Engrossed
15 Second Substitute Bill No. 5560 (agency climate leadership). If the
16 bill is not enacted by June 30, 2009, the amounts provided in this
17 subsection shall lapse.

18 (13) \$150,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$150,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for watershed planning
21 implementation grants to continue ongoing efforts to develop and
22 implement water agreements in the Nooksack Basin and the Bertrand
23 watershed. These amounts are intended to support project
24 administration; monitoring; negotiations in the Nooksack watershed
25 between tribes, the department, and affected water users; continued
26 implementation of a flow augmentation project; plan implementation in
27 the Fishtrap watershed; and the development of a water bank.

28 (14) \$215,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$235,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely to provide watershed planning
31 implementation grants for WRIA 32 to implement Substitute House Bill
32 No. 1580 (pilot local water management program). If the bill is not
33 enacted by June 30, 2009, the amounts provided in this subsection shall
34 lapse.

35 (15) \$200,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$200,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for the purpose of supporting the

1 trust water rights program and processing trust water right transfer
2 applications that improve instream flow.

3 (16)(a) The department shall convene a stock water working group
4 that includes: Legislators, four members representing agricultural
5 interests, three members representing environmental interests, the
6 attorney general or designee, the director of the department of ecology
7 or designee, the director of the department of agriculture or designee,
8 and affected federally recognized tribes shall be invited to send
9 participants.

10 (b) The group shall review issues surrounding the use of permit-
11 exempt wells for stock-watering purposes and may develop
12 recommendations for legislative action.

13 (c) The working group shall meet periodically and report its
14 activities and recommendations to the governor and the appropriate
15 legislative committees by December 1, 2009.

16 (17) \$73,000 of the water quality permit account--state
17 appropriation is provided solely to implement Substitute House Bill No.
18 1413 (water discharge fees). If the bill is not enacted by June 30,
19 2009, the amount provided in this subsection shall lapse.

20 (18) The department shall continue to work with the Columbia Snake
21 River irrigators' association to determine how seasonal water operation
22 and maintenance conservation can be utilized. In implementing this
23 proviso, the department shall also consult with the Columbia River
24 policy advisory group as appropriate.

25 (19) The department shall track any changes in costs, wages, and
26 benefits that would have resulted if House Bill No. 1716 (public
27 contract living wages), as introduced in the 2009 regular session of
28 the legislature, were enacted and made applicable to contracts and
29 related subcontracts entered into, renewed, or extended during the
30 2009-11 biennium. The department shall submit a report to the house of
31 representatives commerce and labor committee and the senate labor,
32 commerce, and consumer protection committee by December 1, 2011. The
33 report shall include data on any aggregate changes in wages and
34 benefits that would have resulted during the 2009-11 biennium.

35 (20) Within amounts appropriated in this section the department
36 shall develop recommendations by December 1, 2009, for a convenient and
37 effective mercury-containing light recycling program for residents,
38 small businesses, and small school districts throughout the state. The

1 department shall consider options including but not limited to, a
2 producer-funded program, a recycler-supported or recycle fee program,
3 a consumer fee at the time of purchase, general fund appropriations, or
4 a currently existing dedicated account. The department shall involve
5 and consult with stakeholders including persons who represent
6 retailers, waste haulers, recyclers, mercury-containing light
7 manufacturers or wholesalers, cities, counties, environmental
8 organizations and other interested parties. The department shall
9 report its findings and recommendations for a recycling program for
10 mercury-containing lights to the appropriate committees of the
11 legislature by December 1, 2009.

12 ~~(21) ((During the 2009-11 biennium, the department shall implement~~
13 ~~its - cost - reimbursement - authority - for - processing - water - right~~
14 ~~applications - using - a - competitive - bidding - process. - For - each - cost~~
15 ~~reimbursement application, the department shall obtain cost proposals~~
16 ~~and other necessary information from at least three prequalified costs~~
17 ~~reimbursement consultants - and - shall - select - the - lowest - responsive~~
18 ~~bidder.~~

19 ~~(22))~~ \$140,000 of the freshwater aquatic algae control account--
20 state appropriation is provided solely for grants to cities, counties,
21 tribes, special purpose districts, and state agencies for capital and
22 operational expenses used to manage and study excessive saltwater algae
23 with an emphasis on the periodic accumulation of sea lettuce on Puget
24 Sound beaches.

25 ~~((23))~~ (22) By December 1, 2009, the department in consultation
26 with local governments shall conduct a remedial action grant financing
27 alternatives report. The report shall address options for financing the
28 remedial action grants identified in the department's report, entitled
29 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
30 Plan" and shall include but not be limited to the following: (a)
31 Capitalizing cleanup costs using debt insurance; (b) capitalizing
32 cleanup costs using prefunded cost-cap insurance; (c) other contractual
33 instruments with local governments; and (d) an assessment of overall
34 economic benefits of the remedial action grants funded using the
35 instruments identified in this section.

36 (23) \$220,000 of the site closure account--state appropriation is
37 provided solely for litigation expenses associated with the lawsuit

1 filed by energy solutions, inc., against the Northwest interstate
2 compact on low-level radioactive waste management and its executive
3 director.

4 (24) \$68,000 of the water rights processing account--state
5 appropriation is provided solely for implementation of Engrossed Second
6 Substitute Senate Bill No. 6267 (water rights processing). If the bill
7 is not enacted by June 30, 2010, the amount provided in this subsection
8 shall lapse.

9 (25) \$10,000 of the state toxics control account--state
10 appropriation is provided solely for implementation of Engrossed
11 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
12 bill is not enacted by June 30, 2010, the amount provided in this
13 subsection shall lapse.

14 (26) \$300,000 of the state toxics control account--state
15 appropriation is provided solely for piloting and evaluating two
16 coordinated, multijurisdictional permitting teams for nontransportation
17 projects.

18 (27)(a) \$4,000,000 of the state drought preparedness account--state
19 appropriation is provided solely for response to a drought declaration
20 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,
21 the department of ecology may provide funding to public bodies as
22 defined in RCW 43.83B.050 in connection with projects and measures
23 designed to alleviate drought conditions that may affect public health
24 and safety, drinking water supplies, agricultural activities, or fish
25 and wildlife survival.

26 (b) Projects or measures for which funding will be provided must be
27 connected with a water system, water source, or water body that is
28 receiving, or has been projected to receive, less than seventy-five
29 percent of normal water supply, as the result of natural drought
30 conditions. This reduction in water supply must be such that it is
31 causing, or will cause, undue hardship for the entities or fish or
32 wildlife depending on the water supply. The department shall issue
33 guidelines outlining grant program and matching fund requirements
34 within ten days of a drought declaration.

35 **Sec. 303.** 2010 c 3 s 302 (uncodified) is amended to read as
36 follows:

1 ~~insufficient to fund the ongoing operation of state parks. By January~~
2 ~~10, 2010, the commission shall provide a report to the legislature on~~
3 ~~their budget and resources related to operating parks for the remainder~~
4 ~~of the biennium)).~~

5 (4) The commission shall not close or transfer Tolmie state park.

6 (5) The commission shall work with the department of general
7 administration to evaluate the commission's existing leases with the
8 intention of increasing net revenue to state parks. The commission
9 shall provide to the office of financial management and the legislative
10 fiscal committees no later than September 30, 2009, a list of leases
11 the commission proposes be managed by the department of general
12 administration.

13 **Sec. 304.** 2009 c 564 s 304 (uncodified) is amended to read as
14 follows:

15 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

16	General Fund--State Appropriation (FY 2010)	((\$1,511,000))
17		<u>\$1,486,000</u>
18	General Fund--State Appropriation (FY 2011)	((\$1,558,000))
19		<u>\$1,480,000</u>
20	General Fund--Federal Appropriation	((\$10,431,000))
21		<u>\$10,322,000</u>
22	General Fund--Private/Local Appropriation	\$250,000
23	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
24	Firearms Range Account--State Appropriation	\$39,000
25	Recreation Resources Account--State Appropriation	((\$2,805,000))
26		<u>\$2,710,000</u>
27	NOVA Program Account--State Appropriation	((\$1,062,000))
28		<u>\$1,049,000</u>
29	TOTAL APPROPRIATION	((\$17,934,000))
30		<u>\$17,614,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations:

33 (1) \$204,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$244,000 of the general fund-- state appropriation for
35 fiscal year 2011 are provided solely for the implementation of
36 Substitute House Bill No. 2157 (salmon recovery). If the bill is not

1 enacted by June 30, 2009, the amounts provided in this subsection shall
2 lapse.

3 (2) The recreation and conservation office, under the direction of
4 the salmon recovery funding board, shall assess watershed and regional-
5 scale capacity issues relating to the support and implementation of
6 salmon recovery. The assessment shall examine priority setting and
7 incentives to further promote coordination to ensure that effective and
8 efficient mechanisms for delivery of salmon recovery funding board
9 funds are being utilized. The salmon recovery funding board shall
10 distribute its operational funding to the appropriate entities based on
11 this assessment.

12 (3) The recreation and conservation office shall negotiate an
13 agreement with the Puget Sound partnership to consolidate or share
14 certain administrative functions currently performed by each agency
15 independently. The agencies shall proportionately share the costs of
16 such shared functions. Examples of shared functions may include, but
17 are not limited to, support for personnel, information technology,
18 grant and contract management, invasive species work, legislative
19 coordination, and policy and administrative support of various boards
20 and councils.

21 (4) The biodiversity council shall be extended through fiscal year
22 2011.

23 **Sec. 305.** 2009 c 564 s 305 (uncodified) is amended to read as
24 follows:

25 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

26	General Fund--State Appropriation (FY 2010)	((\$1,079,000))
27		\$1,108,000
28	General Fund--State Appropriation (FY 2011)	((\$1,074,000))
29		\$1,104,000
30	TOTAL APPROPRIATION	((\$2,153,000))
31		\$2,212,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$46,000 of the general fund--state
34 appropriation for fiscal year 2010 is provided solely for tenant
35 improvement costs associated with moving the office to a new location.
36

1	Recreational Fisheries Enhancement--State	
2	Appropriation	((\$3,640,000))
3		<u>\$3,472,000</u>
4	Warm Water Game Fish Account--State Appropriation	((\$2,877,000))
5		<u>\$2,861,000</u>
6	Eastern Washington Pheasant Enhancement Account--	
7	State Appropriation	((\$848,000))
8		<u>\$851,000</u>
9	Aquatic Invasive Species Enforcement Account--	
10	State Appropriation	\$207,000
11	Aquatic Invasive Species Prevention Account--	
12	State Appropriation	((\$844,000))
13		<u>\$833,000</u>
14	Wildlife Account--State Appropriation	((\$76,178,000))
15		<u>\$86,878,000</u>
16	<u>Wildlife Account--Federal Appropriation</u>	<u>\$101,000</u>
17	<u>Wildlife Account--Private/Local Appropriation</u>	<u>\$39,000</u>
18	Game Special Wildlife Account--State Appropriation	((\$2,381,000))
19		<u>\$2,367,000</u>
20	Game Special Wildlife Account--Federal	
21	Appropriation	((\$8,928,000))
22		<u>\$3,426,000</u>
23	Game Special Wildlife Account--Private/Local	
24	Appropriation	\$487,000
25	Wildlife Rehabilitation Account--State Appropriation	((\$270,000))
26		<u>\$269,000</u>
27	Regional Fisheries Salmonid Recovery Account--	
28	Federal Appropriation	\$5,001,000
29	Oil Spill Prevention Account--State Appropriation	((\$884,000))
30		<u>\$876,000</u>
31	Oyster Reserve Land Account--State Appropriation	((\$918,000))
32		<u>\$916,000</u>
33	TOTAL APPROPRIATION	((\$324,032,000))
34		<u>\$324,346,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations:

- 37 (1) \$294,000 of the aquatic lands enhancement account--state

1 appropriation is provided solely for the implementation of hatchery
2 reform recommendations defined by the hatchery scientific review group.

3 (2) \$355,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$422,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the department to implement a
6 pilot project with the Confederated Tribes of the Colville Reservation
7 to develop expanded recreational fishing opportunities on Lake Rufus
8 Woods and its northern shoreline and to conduct joint enforcement of
9 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
10 state and tribal intergovernmental agreements developed under the
11 Columbia River water supply program. For the purposes of the pilot
12 project:

13 (a) A fishing permit issued to a nontribal member by the Colville
14 Tribes shall satisfy the license requirement of RCW 77.32.010 on the
15 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

16 (b) The Colville Tribes have agreed to provide to holders of its
17 nontribal member fishing permits a means to demonstrate that fish in
18 their possession were lawfully taken in Lake Rufus Woods;

19 (c) A Colville tribal member identification card shall satisfy the
20 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

21 (d) The department and the Colville Tribes shall jointly designate
22 fishing areas on the north shore of Lake Rufus Woods for the purposes
23 of enhancing access to the recreational fisheries on the lake; and

24 (e) The Colville Tribes have agreed to recognize a fishing license
25 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
26 member fishing permit requirements of Colville tribal law on the
27 reservation portion of the waters of Lake Rufus Woods and at designated
28 fishing areas on the north shore of Lake Rufus Woods;

29 (3) Prior to submitting its 2011-2013 biennial operating and
30 capital budget request related to state fish hatcheries to the office
31 of financial management, the department shall contract with the
32 hatchery scientific review group (HSRG) to review this request. This
33 review shall: (a) Determine if the proposed requests are consistent
34 with HSRG recommendations; (b) prioritize the components of the
35 requests based on their contributions to protecting wild salmonid
36 stocks and meeting the recommendations of the HSRG; and (c) evaluate
37 whether the proposed requests are being made in the most cost effective

1 manner. The department shall provide a copy of the HSRG review to the
2 office of financial management with their agency budget proposal.

3 (4) Within existing funds, the department shall continue
4 implementing its capital program action plan dated September 1, 2007,
5 including the purchase of the necessary maintenance and support costs
6 for the capital programs and engineering tools. The department shall
7 report to the office of financial management and the appropriate
8 committees of the legislature, its progress in implementing the plan,
9 including improvements instituted in its capital program, by September
10 30, (~~(2011)~~) 2010.

11 (5) \$1,232,000 of the state wildlife account--state appropriation
12 is provided solely to implement Substitute House Bill No. 1778 (fish
13 and wildlife). If the bill is not enacted by June 30, 2009, the amount
14 provided in this subsection shall lapse.

15 (6) \$400,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$400,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for a state match to support the
18 Puget Sound nearshore partnership between the department and the U.S.
19 army corps of engineers.

20 (7) (~~(\$100,000)~~) \$50,000 of the general fund--state appropriation
21 for fiscal year 2010 and (~~(\$100,000)~~) \$50,000 of the general fund--
22 state appropriation for fiscal year 2011 are provided solely for
23 removal of derelict gear in Washington waters.

24 (8) The department of fish and wildlife shall dispose of all
25 (~~(fixed-wing)~~) Cessna aircraft it currently owns. The proceeds from
26 the aircraft shall be deposited into the state wildlife account.
27 Disposal of the aircraft must occur no later than June 30, 2010. The
28 department shall coordinate with the department of natural resources on
29 the installation of fire surveillance equipment into its Partenavia
30 aircraft. The department shall make its Partenavia aircraft available
31 to the department of natural resources on a cost-reimbursement basis
32 for its use in coordinating fire suppression efforts. The two agencies
33 shall develop an interagency agreement that defines how they will share
34 access to the plane.

35 (9) \$50,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for an electron project fish passage study
37 consistent with the recommendations and protocols contained in the 2008
38 electron project downstream fish passage final report.

1 (10) \$60,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$60,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for implementation of Engrossed
4 Second Substitute Bill No. 5560 (agency climate leadership). If the
5 bill is not enacted by June 30, 2009, the amounts provided in this
6 subsection shall lapse.

7 (11) If sufficient new revenues are not identified to continue
8 hatchery operations, within the constraints of legally binding tribal
9 agreements, the department shall dispose of, by removal, sale, lease,
10 reversion, or transfer of ownership, the following hatcheries:
11 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
12 Disposal of the hatcheries must occur by June 30, 2011, and any
13 proceeds received from disposal shall be deposited in the state
14 wildlife account. Within available funds, the department shall provide
15 quarterly reports on the progress of disposal to the office of
16 financial management and the appropriate fiscal committees of the
17 legislature. The first report shall be submitted no later than
18 September 30, 2009.

19 (12) \$100,000 of the eastern Washington pheasant enhancement
20 account--state appropriation is provided solely for the department to
21 support efforts to enhance permanent and temporary pheasant habitat on
22 public and private lands in Grant, Franklin, and Adams counties. The
23 department may support efforts by entities including conservation
24 districts, nonprofit organizations, and landowners, and must require
25 such entities to provide significant nonstate matching resources, which
26 may be in the form of funds, material, or labor.

27 (13) Within the amounts appropriated in this section, the
28 department of fish and wildlife shall develop a method for allocating
29 its administrative and overhead costs proportionate to program fund
30 use. As part of its 2011-2013 biennial operating budget, the
31 department shall submit a decision package that rebalances expenditure
32 authority for all agency funds based upon proportionate contributions.

33 (14) Within the amounts appropriated in this section, the
34 department shall identify additional opportunities for partnerships in
35 order to keep fish hatcheries operational. Such partnerships shall aim
36 to maintain fish production and salmon recovery with less reliance on
37 state operating funds.

1 (15) Within the amounts appropriated in this section, the
2 department shall work with stakeholders to develop a long-term funding
3 model that sustains the department's work of conserving species and
4 habitat, providing sustainable recreational and commercial
5 opportunities and using sound business practices. The funding model
6 analysis shall assess the appropriate uses of each fund source and
7 whether the department's current and projected revenue levels are
8 adequate to sustain its current programs. The department shall report
9 its recommended funding model including supporting analysis and
10 stakeholder participation summary to the office of financial management
11 and the appropriate committees of the legislature by October 1, 2010.

12 (16) By October 1, 2010, the department shall enter into an
13 interagency agreement with the department of natural resources for land
14 management services for the department's wildlife conservation and
15 recreation lands. Land management services may include but are not
16 limited to records management, real estate services such as surveying,
17 and land acquisition and disposal services. The interagency agreement
18 shall describe business processes, service delivery expectations, cost,
19 and timing. In the agreement, the department shall define its roles
20 and responsibilities. A draft agreement shall be submitted to the
21 office of financial management and the appropriate fiscal committees of
22 the legislature by July 1, 2010.

23 (17) Prior to opening game management unit 490 to public hunting,
24 the department shall complete an environmental impact statement that
25 includes an assessment of how public hunting activities will impact the
26 ongoing protection of the public water supply.

27 (18) The department must work with appropriate stakeholders to
28 facilitate the disposition of salmon to best utilize the resource,
29 increase revenues to regional fisheries enhancement groups, and enhance
30 the provision of nutrients to food banks. By November 1, 2010, the
31 department must provide a report to the appropriate committees of the
32 legislature summarizing these discussions, outcomes, and
33 recommendations. After November 1, 2010, the department shall not
34 solicit or award a surplus salmon disposal contract without first
35 giving due consideration to implementing the recommendations developed
36 during the stakeholder process.

37 (19) \$50,000 of the general fund--state appropriation for fiscal

1 year 2011 is provided solely for increased fish production at Voight
2 Creek hatchery.

3 **Sec. 308.** 2009 c 564 s 308 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

6	General Fund--State Appropriation (FY 2010)	((\$40,275,000))
7		<u>\$48,822,000</u>
8	General Fund--State Appropriation (FY 2011)	((\$40,857,000))
9		<u>\$37,513,000</u>
10	General Fund--Federal Appropriation	((\$26,731,000))
11		<u>\$28,784,000</u>
12	General Fund--Private/Local Appropriation	((\$1,371,000))
13		<u>\$2,369,000</u>
14	Forest Development Account--State Appropriation	((\$41,765,000))
15		<u>\$41,640,000</u>
16	Off Road Vehicle Account--State Appropriation	((\$4,236,000))
17		<u>\$4,406,000</u>
18	Surveys and Maps Account--State Appropriation	((\$2,543,000))
19		<u>\$2,332,000</u>
20	Aquatic Lands Enhancement Account--State	
21	Appropriation	((\$7,217,000))
22		<u>\$8,315,000</u>
23	Resources Management Cost Account--State	
24	Appropriation	((\$78,951,000))
25		<u>\$78,704,000</u>
26	Surface Mining Reclamation Account--State	
27	Appropriation	((\$3,490,000))
28		<u>\$3,494,000</u>
29	Disaster Response Account--State Appropriation	\$5,000,000
30	Forest and Fish Support Account--State Appropriation	\$8,000,000
31	Aquatic Land Dredged Material Disposal Site	
32	Account--State Appropriation	((\$1,336,000))
33		<u>\$1,333,000</u>
34	Natural Resources Conservation Areas Stewardship	
35	Account--State Appropriation	((\$34,000))
36		<u>\$184,000</u>
37	State Toxics Control Account--State Appropriation	((\$80,000))

1 purpose is reinstated, the amount provided in this subsection shall
2 lapse.

3 (4) \$600,000 of the derelict vessel removal account--state
4 appropriation is provided solely for removal of derelict and abandoned
5 vessels that have the potential to contaminate Puget Sound.

6 (5) \$666,000 of the general fund--federal appropriation is provided
7 solely to implement House Bill No. 2165 (forest biomass energy
8 project). If the bill is not enacted by June 30, 2009, the amount
9 provided in this subsection shall lapse.

10 (6) \$5,000 of the general fund--state appropriation for fiscal year
11 2010 and \$5,000 of the general fund--state appropriation for fiscal
12 year 2011 are provided solely to implement Substitute House Bill No.
13 1038 (specialized forest products). If the bill is not enacted by June
14 30, 2009, the amounts provided in this subsection shall lapse.

15 (7) \$440,000 of the state general fund--state appropriation for
16 fiscal year 2010 and \$440,000 of the state general fund--state
17 appropriation for fiscal year 2011 are provided solely for forest work
18 crews that support correctional camps and are contingent upon
19 continuing operations of Naselle youth camp at the level provided in
20 fiscal year 2008. The department shall consider using up to \$2,000,000
21 of the general fund--federal appropriation to support and utilize
22 correctional camp crews to implement natural resource projects approved
23 by the federal government for federal stimulus funding.

24 (8) The department of natural resources shall dispose of the King
25 Air aircraft it currently owns. Before disposal and within existing
26 funds, the department shall transfer specialized equipment for fire
27 surveillance to the department of fish and wildlife's Partenavia
28 aircraft. Disposal of the aircraft must occur no later than June 30,
29 2010, and the proceeds from the sale of the aircraft shall be deposited
30 into the ((~~natural resources equipment revolving fund~~)) forest and fish
31 support account. ((~~At the expiration of current leases~~)) No later than
32 June 30, 2011, the department shall lease facilities in eastern
33 Washington sufficient to house the necessary aircraft, mechanics, and
34 pilots used for forest fire prevention and suppression.

35 (9) \$30,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$30,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for implementation of Engrossed

1 Second Substitute Bill No. 5560 (agency climate leadership). If the
2 bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 (10) \$1,030,000 of the aquatic lands enhancement account--state
5 appropriation for fiscal year 2011 is provided solely for continuing
6 scientific studies already underway as part of the adaptive management
7 process. Funds may not be used to initiate new studies unless the
8 department secures new federal funding for the adaptive management
9 process.

10 (11) Within available funds, the department of natural resources
11 shall review the statutory method for determining aquatic lands lease
12 rates for private marinas, public marinas not owned and operated by
13 port districts, yacht clubs, and other entities leasing state land for
14 boat moorage. The review shall consider alternative methods for
15 determining rents for these entities for a fair distribution of rent,
16 consistent with the department management mandates for state aquatic
17 lands.

18 (12) \$40,000 of the general fund--state appropriation for fiscal
19 year 2011 and \$100,000 of the aquatic lands enhancement account--state
20 appropriation are provided solely to install up to twenty mooring buoys
21 in Eagle Harbor and to remove abandoned boats, floats, and other
22 trespassing structures.

23 (13) By October 1, 2010, the department shall enter into an
24 interagency agreement with the department of fish and wildlife for
25 providing land management services on the department of fish and
26 wildlife's wildlife conservation and recreation lands. Land management
27 services may include but are not limited to records management, real
28 estate services such as surveying, and land acquisition and disposal
29 services. The interagency agreement shall describe business processes,
30 service delivery expectations, cost, and timing. A draft agreement
31 shall be submitted to the office of financial management and the
32 appropriate fiscal committees of the legislature by July 1, 2010.

33 (14) \$41,000 of the forest development account--state
34 appropriation, \$44,000 of the resources management cost account--state
35 appropriation, and \$2,000 of the agricultural college trust management
36 account--state appropriation are provided solely for the implementation
37 of Second Substitute House Bill No. 2481 (DNR forest biomass

1 agreements). If the bill is not enacted by June 30, 2010, the amount
2 provided in this subsection shall lapse.

3 (15) The department may not include shellfish growers in its
4 aquatic habitat conservation plan if those growers have been issued a
5 federal nationwide or individual permit by the United States army corps
6 of engineers, in consultation with the United States fish and wildlife
7 service and the national marine fisheries service, which concludes that
8 shellfish cultivation activities on department-managed aquatic lands
9 will not pose jeopardy to threatened or endangered species under the
10 federal endangered species act.

11 **Sec. 309.** 2010 c 3 s 305 (uncodified) is amended to read as
12 follows:

13 **FOR THE DEPARTMENT OF AGRICULTURE**

14	General Fund--State Appropriation (FY 2010)	((\$12,329,000))
15		<u>\$12,320,000</u>
16	General Fund--State Appropriation (FY 2011)	((\$11,271,000))
17		<u>\$16,219,000</u>
18	General Fund--Federal Appropriation	((\$11,565,000))
19		<u>\$20,947,000</u>
20	General Fund--Private/Local Appropriation	((\$194,000))
21		<u>\$193,000</u>
22	Aquatic Lands Enhancement Account--State	
23	Appropriation	((\$2,559,000))
24		<u>\$2,551,000</u>
25	State Toxics Control Account--State Appropriation	((\$4,298,000))
26		<u>\$4,724,000</u>
27	Water Quality Permit Account--State Appropriation	\$61,000
28	TOTAL APPROPRIATION	((\$42,277,000))
29		<u>\$57,015,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) \$350,000 of the aquatic lands enhancement account appropriation
33 is provided solely for funding to the Pacific county noxious weed
34 control board to eradicate remaining spartina in Willapa Bay.

35 (2) \$19,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$6,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely to implement Substitute Senate

1 Bill No. 5797 (solid waste handling permits). If the bill is not
2 enacted by June 30, 2009, the amounts provided in this subsection shall
3 lapse.

4 (3) The department is authorized to establish or increase the
5 following fees in the 2009-11 biennium as necessary to meet the actual
6 costs of conducting business: Christmas tree grower licensing, nursery
7 dealer licensing, plant pest inspection and testing, and commission
8 merchant licensing.

9 (4) \$5,420,000 of the general fund--state appropriation for fiscal
10 year 2011 and \$2,782,000 of the general fund--federal appropriation are
11 provided solely for implementation of Substitute Senate Bill No. 6341
12 (food __ assistance/department __ of __ agriculture). Within __ amounts
13 appropriated in this subsection, \$65,000 of the general fund--state
14 appropriation for fiscal year 2011 is provided solely for a contract
15 with a food distribution program for communities in the southwestern
16 portion of the state and for workers impacted by timber and salmon
17 fishing closures and reductions. The department may not charge
18 administrative overhead or expenses to this contract. If the bill is
19 not enacted by June 30, 2010, the amounts provided in this subsection
20 shall lapse.

21 (5) The department shall, if public or private funds are available,
22 partner with eligible public and private entities with experience in
23 food collection and distribution to review funding sources for eight
24 full-time volunteers in the AmeriCorps VISTA program to conduct
25 outreach to local growers, agricultural donors, and community
26 volunteers. Public and private partners shall also be utilized to
27 coordinate gleaning unharvested tree fruits and fresh produce for
28 distribution to individuals throughout Washington state.

29 (6) When reducing laboratory activities and functions, the
30 department shall not impact any research or analysis pertaining to
31 bees.

32 **Sec. 310.** 2009 c 564 s 310 (uncodified) is amended to read as
33 follows:

34 **FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

35 Pollution Liability Insurance Program Trust

36	Account--State Appropriation	((\$638,000))
37		<u>\$636,000</u>

1 University and the environmental protection agency to secure funding
2 for the beach watchers program.

3 (5) (~~(\$877,000)~~) \$839,000 of the general fund--state appropriation
4 for fiscal year 2010 and (~~(\$877,000)~~) \$764,000 of the general fund--
5 state appropriation for fiscal year 2011 are provided solely to support
6 public education and volunteer programs. The partnership is directed
7 to distribute the majority of funding as grants to local organizations,
8 local governments, and education, communication, and outreach network
9 partners. The partnership shall track progress for this activity
10 through the accountability system of the Puget Sound partnership.

11 (6) The Puget Sound partnership shall negotiate an agreement with
12 the recreation and conservation office to consolidate or share certain
13 administrative _ functions _ currently _ performed _ by _ each _ agency
14 independently. The agencies shall proportionately share the costs of
15 such shared functions. Examples of shared functions may include, but
16 are not limited to, support for personnel, information technology,
17 grant and contract management, invasive species work, legislative
18 coordination, and policy and administrative support of various boards
19 and councils.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2010 c 3 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	(\$1,535,000)
	<u>\$1,524,000</u>
Architects' License Account--State Appropriation	(\$767,000)
	<u>\$923,000</u>
Professional Engineers' Account--State	
Appropriation	(\$3,586,000)
	<u>\$3,568,000</u>
Real Estate Commission Account--State Appropriation	(\$10,047,000)
	<u>\$9,987,000</u>
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	(\$3,100,000)
	<u>\$3,090,000</u>
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	(\$1,692,000)
	<u>\$1,683,000</u>
Business and Professions Account--State	
Appropriation	(\$15,270,000)
	<u>\$15,188,000</u>
Real Estate Research Account--State Appropriation	(\$320,000)
	<u>\$471,000</u>
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,831,000)
	<u>\$53,948,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Pursuant to RCW 43.135.055, the department is authorized to

1 increase fees for cosmetologists, funeral directors, cemeteries, court
2 reporters and appraisers. These increases are necessary to support the
3 expenditures authorized in this section, consistent with RCW 43.24.086.

4 (2) \$1,352,000 of the business and professions account--state
5 appropriation is provided solely to implement Substitute Senate Bill
6 No. 5391 (tattoo and body piercing). If the bill is not enacted by
7 June 30, 2009, the amount provided in this subsection shall lapse.

8 (3) \$358,000 of the business and professions account--state
9 appropriation is provided solely to implement Senate Bill No. 6126
10 (professional athletics). If the bill is not enacted by June 30, 2009,
11 the amount provided in this subsection shall lapse.

12 (4) \$151,000 of the real estate research account appropriation is
13 provided solely to implement chapter 156, Laws of 2010 (real estate
14 broker licensure fees).

15 (5) \$158,000 of the architects' license account--state
16 appropriation is provided solely to implement chapter 129, Laws of 2010
17 (architect licensing).

18 (6) \$60,000 of the master license account--state appropriation is
19 provided solely to implement chapter 174, Laws of 2010 (vaccine
20 association). The amount provided in this subsection shall be from fee
21 revenue authorized in chapter 174, Laws of 2010.

22 **Sec. 402.** 2010 c 3 s 402 (uncodified) is amended to read as
23 follows:

24 **FOR THE STATE PATROL**

25	General Fund--State Appropriation (FY 2010)	((\$40,668,000))
26		<u>\$38,977,000</u>
27	General Fund--State Appropriation (FY 2011)	((\$39,566,000))
28		<u>\$36,059,000</u>
29	General Fund--Federal Appropriation	((\$11,401,000))
30		<u>\$15,793,000</u>
31	General Fund--Private/Local Appropriation	((\$3,568,000))
32		<u>\$4,986,000</u>
33	Death Investigations Account--State Appropriation	((\$6,022,000))
34		<u>\$5,580,000</u>
35	Enhanced 911 Account--State Appropriation	((\$589,000))
36		<u>\$603,000</u>
37	County Criminal Justice Assistance Account--State	

1	Appropriation	((\$3,122,000))
2		<u>\$3,146,000</u>
3	Municipal Criminal Justice Assistance Account--State	
4	Appropriation	((\$1,245,000))
5		<u>\$1,255,000</u>
6	Fire Service Trust Account--State Appropriation	\$131,000
7	Disaster Response Account--State Appropriation	\$8,002,000
8	Fire Service Training Account--State Appropriation	((\$8,717,000))
9		<u>\$8,821,000</u>
10	Aquatic Invasive Species Enforcement Account--State	
11	Appropriation	\$54,000
12	State Toxics Control Account--State Appropriation	((\$504,000))
13		<u>\$509,000</u>
14	Fingerprint Identification Account--State	
15	Appropriation	((\$7,371,000))
16		<u>\$10,454,000</u>
17	TOTAL APPROPRIATION	((\$130,960,000))
18		<u>\$134,370,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) \$200,000 of the fire service training account--state
22 appropriation is provided solely for two FTEs in the office of the
23 state director of fire protection to exclusively review K-12
24 construction documents for fire and life safety in accordance with the
25 state building code. It is the intent of this appropriation to provide
26 these services only to those districts that are located in counties
27 without qualified review capabilities.

28 (2) \$8,000,000 of the disaster response account--state
29 appropriation is provided solely for Washington state fire service
30 resource mobilization costs incurred in response to an emergency or
31 disaster authorized under RCW 43.43.960 and 43.43.964. The state
32 patrol shall submit a report quarterly to the office of financial
33 management and the legislative fiscal committees detailing information
34 on current and planned expenditures from this account. This work shall
35 be done in coordination with the military department.

36 (3) The 2010 legislature will review the use of king air planes by
37 the executive branch and the adequacy of funding in this budget

1 regarding maintaining and operating the planes to successfully
2 accomplish their mission.

3 (4) The appropriations in this section reflect reductions in the
4 appropriations for the agency's administrative expenses. It is the
5 intent of the legislature that these reductions shall be achieved, to
6 the greatest extent possible, by reducing those administrative costs
7 that do not affect direct client services or direct service delivery or
8 programs.

9 (5) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (6) \$48,000 of the fingerprint identification account--state
13 appropriation is provided solely to implement Substitute House Bill No.
14 1621 (consumer loan companies). If the bill is not enacted by June 30,
15 2009, the amounts provided in this subsection shall lapse.

16 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
17 the state patrol is authorized to increase the following fees in fiscal
18 year 2011 as necessary to meet the actual costs of conducting business
19 and the appropriation levels in this section: Collision records
20 requests; fire training academy courses; and fire training academy dorm
21 accommodations.

22 (8) \$24,000 of the fingerprint identification account--state
23 appropriation is provided solely for implementation of chapter 47, Laws
24 of 2010 (criminal background checks).

(End of part)

PART V
EDUCATION

Sec. 501. 2009 c 564 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	(\$34,798,000)
	<u>\$35,415,000</u>
General Fund--State Appropriation (FY 2011)	(\$32,969,000)
	<u>\$33,610,000</u>
General Fund--Federal Appropriation	(\$86,571,000)
	<u>\$87,081,000</u>
TOTAL APPROPRIATION	(\$154,338,000)
	<u>\$156,106,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of (~~(\$22,532,000)~~) \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and (~~(\$21,023,000)~~) \$21,926,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) (~~(\$11,792,000)~~) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and (~~(\$11,325,000)~~) \$10,367,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, (~~(via the)~~) monthly (~~(report of~~

1 ~~school-district-enrollment~~)), accurate monthly headcount and FTE
2 enrollments for students in (~~internet~~) alternative learning
3 experience (ALE) programs as well as information about resident and
4 serving districts.

5 (iii) Within amounts provided in this subsection (1)(a), the state
6 superintendent of public instruction shall share best practices with
7 school districts regarding strategies for increasing efficiencies and
8 economies of scale in school district noninstructional operations
9 through shared service arrangements and school district cooperatives,
10 as well as other practices.

11 (b) \$250,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for a statewide school district
13 reorganization commission.

14 (i) The commission shall develop and recommend a comprehensive plan
15 for the reorganization of Washington school districts for review and
16 potential adoption by the legislature.

17 (ii) The commission shall be composed of the following members: A
18 representative of the state board of education selected by the members
19 of the board; two representatives of school administrators selected by
20 the Washington association of school administrators, with one
21 representative each from eastern and western Washington; two
22 representatives of school board directors selected by the Washington
23 state school directors' association, with one representative each from
24 eastern and western Washington; one representative of certificated
25 instructional school employees selected by the Washington education
26 association; an individual with experience as a demographer or as a
27 participant on the redistricting commission under chapter 44.05 RCW
28 selected by the governor.

29 (iii) The commission shall develop objective criteria, ranked in
30 priority order, for the reorganization of Washington school districts
31 to include consideration of but not be limited to criteria in RCW
32 28A.315.015 and 28A.315.205. Based on the adopted objective criteria,
33 the commission shall develop a comprehensive plan for the
34 reorganization and reduction of Washington school districts. The plan
35 may also result in a reorganization of the number and boundaries of
36 educational service districts.

37 (iv) The commission shall submit a final comprehensive school
38 district reorganization plan to the superintendent of public

1 instruction, the governor, and the legislature by December 1, 2012, to
2 include the following: A list of the recommended school districts and
3 educational _ service _ districts _ and _ their _ respective _ boundaries;
4 recommended procedures and timelines for phased-in implementation of
5 the reorganization plan; procedures and timelines for determination,
6 adjustment, _ and _ transfer _ of _ assets _ and _ liabilities _ among _ school
7 districts, including bonded indebtedness; procedures and timelines for
8 determination and election of school district and educational service
9 district boards of directors; and any other relevant elements the
10 commission _ deems _ essential _ for _ legislative _ and _ gubernatorial
11 consideration.

12 (c) \$25,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided to the office of the superintendent of public
14 instruction solely to convene a science, technology, engineering, and
15 mathematics (STEM) working group to develop a comprehensive plan with
16 a shared vision, goals, and measurable objectives to improve policies
17 and practices to ensure that a pathway is established for elementary
18 schools, middle schools, high schools, postsecondary degree programs,
19 and careers in the areas of STEM, including improving practices for
20 recruiting, preparing, hiring, retraining, and supporting teachers and
21 instructors while creating pathways to boost student success, close the
22 achievement gap, and prepare every student to be college and career
23 ready. The working group shall be composed of the director of STEM at
24 the office of the superintendent of public instruction who shall be the
25 chair of the working group, and at least one representative from the
26 state board of education, professional educator standards board, state
27 board _ of _ community _ and _ technical _ colleges, _ higher _ education
28 coordinating board, _ workforce training _ and _ education _ coordinating
29 board, the achievement gap oversight and accountability committee, and
30 others with appropriate expertise. The working group shall develop a
31 comprehensive plan and a report with recommendations, including a
32 timeline for specific actions to be taken, which is due to the governor
33 and the appropriate committees of the legislature by December 1, 2010.

34 (d) ((\$927,000)) \$920,000 of the general fund--state appropriation
35 for fiscal year 2010 and \$941,000 of the general fund--state
36 appropriation for fiscal year 2011 are provided solely for research and
37 development activities associated with the development of options for
38 new school finance systems, including technical staff, reprogramming,

1 and analysis of alternative student funding formulae. Within this
2 amount is \$150,000 for the state board of education for further
3 development of accountability systems, and \$150,000 for the
4 professional educator standards board for continued development of
5 teacher certification and evaluation systems.

6 ~~((b))~~ (e) \$965,000 of the general fund--state appropriation for
7 fiscal year 2010 and ~~((965,000))~~ \$946,000 of the general fund--state
8 appropriation for fiscal year 2011 are provided solely for the
9 operation and expenses of the state board of education, including basic
10 education assistance activities.

11 ~~((e))~~ (f) \$5,366,000 of the general fund--state appropriation for
12 fiscal year 2010 and ~~((5,264,000))~~ \$3,312,000 of the general fund--
13 state appropriation for fiscal year 2011 are provided solely to the
14 professional educator standards board for the following:

15 (i) \$1,070,000 in fiscal year 2010 and ~~((1,070,000))~~ \$1,058,000 in
16 fiscal year 2011 are for the operation and expenses of the Washington
17 professional educator standards board~~((,--including administering the
18 alternative routes to certification program, pipeline for paraeducators
19 conditional scholarship loan program, and the retooling to teach math
20 conditional loan program))~~;

21 (ii) ~~((3,431,000))~~ \$4,106,000 of the general fund--state
22 appropriation for fiscal year 2010 and ~~((3,431,000))~~ \$2,066,000 of the
23 general fund--state appropriation for fiscal year 2011 are for
24 conditional scholarship loans and mentor stipends provided through the
25 alternative routes to certification program administered by the
26 professional educator standards board, including the pipeline for
27 paraeducators program and the retooling to teach conditional loan
28 programs. Funding within this subsection (1)(f)(ii) is also provided
29 for the recruiting Washington teachers program. ~~((Of these amounts:~~

30 ~~(A) -- \$500,000 -- each -- year -- is -- for -- conditional -- scholarships -- to
31 candidates seeking an endorsement in special education, math, science,
32 or bilingual education;~~

33 ~~(B) \$2,372,000 for fiscal year 2010 and \$2,372,000 for fiscal year
34 2011 are for the expansion of conditional scholarship loans and mentor
35 stipends -- for -- individuals -- enrolled -- in -- alternative -- route -- state
36 partnership programs and seeking endorsements in math, science, special
37 education or bilingual education;~~

1 ~~(C) Any remaining amounts in this subsection (c) shall be used to~~
2 ~~continue existing alternative routes to certification programs; and~~

3 ~~(D) Candidates seeking math and science endorsements under (A) and~~
4 ~~(B) of this subsection shall receive priority for funding;~~

5 ~~(iii) \$231,000 of the general fund--state appropriation for fiscal~~
6 ~~year 2010 and \$231,000 of the general fund--state appropriation for~~
7 ~~fiscal year 2011 are for the recruiting Washington teachers program;~~

8 ~~(iv) \$200,000 of the general fund--state appropriation for fiscal~~
9 ~~year 2010 and \$200,000 of the general fund--state appropriation for~~
10 ~~fiscal year 2011 provided in this subsection are for \$4,000 conditional~~
11 ~~loan-stipends for paraeducators participating in the pipeline for~~
12 ~~paraeducators program;~~

13 ~~(v) \$244,000 of the general fund--state appropriation for fiscal~~
14 ~~year 2010 and \$244,000 of the general fund--state appropriation for~~
15 ~~fiscal year 2011 are for conditional stipends for certificated teachers~~
16 ~~pursuing a mathematics or science endorsement under the retooling to~~
17 ~~teach mathematics or science program. The conditional stipends shall~~
18 ~~be for endorsement exam fees as well as stipends for teachers who must~~
19 ~~also complete coursework; and~~

20 ~~(vi)) (iii) \$102,000 of the general fund--state appropriation for~~
21 ~~fiscal year 2010 is provided for the implementation of Second~~
22 ~~Substitute Senate Bill No. 5973 (student achievement gap). ((The~~
23 ~~professional educator standards board (PESB) will convene a workgroup~~
24 ~~to identify a list of model standards for cultural competency and make~~
25 ~~recommendations to the education committees of the legislature on the~~
26 ~~strengths and weaknesses of those standards. Funding is also included~~
27 ~~here in the amount of \$10,000 for the PESB to develop an interagency~~
28 ~~agreement with the center for the improvement of student learning to~~
29 ~~participate.~~

30 ~~(d) \$1,099,000))~~ \$100,000 of the general fund--state appropriation
31 for fiscal year 2011 is provided solely for the ongoing work of the
32 achievement __ gap __ oversight __ and __ accountability __ committee __ and
33 implementation of the committee's recommendations.

34 (iv) During the 2009-2011 fiscal biennium, the professional
35 educator standards board is exempt from the provisions of chapter 7,
36 Laws of 2010 1st sp. sess. (eliminating boards and commissions).

37 (g) \$1,349,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$144,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for replacement of the
2 apportionment system, which includes the processes that collect school
3 district budget and expenditure information, staffing characteristics,
4 and the student enrollments that drive the funding process.

5 ~~((e))~~ ~~(\$1,227,000)~~ (h) \$1,140,000 of the general fund--state
6 appropriation for fiscal year 2010 and \$1,227,000 of the general fund--
7 state appropriation for fiscal year 2011 are provided solely for the
8 creation of a statewide data base of longitudinal student information.
9 This amount is conditioned on the department satisfying the
10 requirements in section 902 of this act.

11 ~~((f))~~ (i) \$75,000 of the general fund--state appropriation for
12 fiscal year 2010 ~~((and \$75,000 of the general fund--state appropriation
13 for fiscal year 2011 are))~~ is provided solely to promote the financial
14 literacy of students. The effort will be coordinated through the
15 financial education public-private partnership. It is expected that
16 nonappropriated funds available to the public-private partnership will
17 be sufficient to continue financial literacy activities.

18 ~~((g))~~ (j) To the maximum extent possible, in adopting new agency
19 rules or making any changes to existing rules or policies related to
20 the fiscal provisions in the administration of part V of this act, the
21 office of the superintendent of public instruction shall attempt to
22 request approval through the normal legislative budget process.

23 ~~((h))~~ (k) \$44,000 of the general fund--state appropriation for
24 fiscal year 2010 and \$45,000 of the general fund--state appropriation
25 for fiscal year 2011 are provided solely for the implementation of
26 Substitute Senate Bill No. 5248 (enacting the interstate compact on
27 educational opportunity for military children).

28 ~~((i))~~ (l) \$700,000 of the general fund--state appropriation for
29 fiscal year 2010 and \$700,000 of the general fund--state appropriation
30 for fiscal year 2011 are provided solely for the implementation of
31 Substitute Senate Bill No. 5410 (online learning).

32 ~~((j))~~ (m) \$25,000 of the general fund--state appropriation for
33 fiscal year 2010 and \$25,000 of the general fund--state appropriation
34 for fiscal year 2011 are provided solely for project citizen, a program
35 sponsored by the national conference of state legislatures and the
36 center for civic education to promote participation in government by
37 middle school students.

1 (n) \$2,518,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for the implementation of Substitute House
3 Bill No. 2776 (K-12 education funding). If the bill is not enacted by
4 June 30, 2010, the amount provided in this subsection shall lapse.

5 (o) \$133,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for the implementation of Engrossed Second
7 Substitute House Bill No. 3026 (state and federal civil rights laws).
8 If the bill is not enacted by June 30, 2010, the amount provided in
9 this subsection shall lapse.

10 (p) Beginning in the 2010-11 school year, the superintendent of
11 public instruction shall require all districts receiving general
12 apportionment funding for alternative learning experience (ALE)
13 programs as defined in WAC 392-121-182 to provide separate financial
14 accounting of expenditures for the ALE programs offered in district or
15 with a provider, including but not limited to private companies and
16 multidistrict cooperatives.

17 (q) \$55,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided to the office of the superintendent of public
19 instruction solely to convene a technical working group to establish
20 standards, guidelines, and definitions for what constitutes a basic
21 education program for highly capable students and the appropriate
22 funding structure for such a program, and to submit recommendations to
23 the legislature for consideration. The working group may convene
24 advisory subgroups on specific topics as necessary to assure
25 participation and input from a broad array of diverse stakeholders.
26 The working group must consult with and seek input from nationally
27 recognized experts; researchers and academics on the unique
28 educational, emotional, and social needs of highly capable students and
29 how to identify such students; representatives of national
30 organizations and associations for educators of or advocates for highly
31 capable students; school district representatives who are educators,
32 counselors, and classified school employees involved with highly
33 capable programs; parents of students who have been identified as
34 highly capable; representatives from the federally recognized tribes;
35 and representatives of cultural, linguistic, and racial minority groups
36 and the community of persons with disabilities. The working group
37 shall make recommendations to the quality education council and to
38 appropriate committees of the legislature by December 1, 2010. The

1 recommendations shall take into consideration that access to the
2 program for highly capable students is not an individual entitlement
3 for any particular student. The recommendations shall seek to minimize
4 underrepresentation of any particular demographic or socioeconomic
5 group by better identification, not lower standards or quotas, and
6 shall include the following:

7 (i) Standardized state-level identification procedures, standards,
8 criteria, and benchmarks, including a definition or definitions of a
9 highly capable student. Students who are both highly capable and are
10 students of color, are poor, or have a disability must be addressed;

11 (ii) Appropriate programs and services that have been shown by
12 research and practice to be effective with highly capable students but
13 maintain options and flexibility for school districts, where possible;

14 (iii) Program administration, management, and reporting
15 requirements for school districts;

16 (iv) Appropriate educator qualifications, certification
17 requirements, and professional development and support for educators
18 and other staff who are involved in programs for highly capable
19 students;

20 (v) Self-evaluation models to be used by school districts to
21 determine the effectiveness of the program and services provided by the
22 school district for highly capable programs;

23 (vi) An appropriate state-level funding structure; and

24 (vii) Other topics deemed to be relevant by the working group.

25 (r) \$1,000,000 of the general fund--state appropriation for fiscal
26 year 2011 is provided solely for contracting with a college scholarship
27 organization with expertise in conducting outreach to students
28 concerning eligibility for the Washington college bound scholarship
29 consistent with chapter 405, Laws of 2007.

30 (s) \$24,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$140,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for implementation of Substitute
33 Senate Bill No. 6759 (requiring a plan for a voluntary program of early
34 learning as a part of basic education). If the bill is not enacted by
35 June 30, 2010, the amounts provided in this subsection (1)(r) shall
36 lapse.

37 (t) \$950,000 of the general fund--state appropriation for fiscal

1 year 2010 is provided solely for office of the attorney general costs
2 related to McCleary v. State of Washington.

3 (2) (~~(\$12,836,000)~~) \$12,320,000 of the general fund--state
4 appropriation for fiscal year 2010, (~~(\$12,407,000)~~) \$11,685,000 of the
5 general fund--state appropriation for fiscal year 2011, and \$55,890,000
6 of the general fund--federal appropriation are for statewide programs.

7 (a) HEALTH AND SAFETY

8 (i) \$2,541,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$2,541,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for a corps of nurses located at
11 educational service districts, as determined by the superintendent of
12 public instruction, to be dispatched to the most needy schools to
13 provide direct care to students, health education, and training for
14 school staff.

15 (ii) \$100,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$100,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for a school safety training
18 program provided by the criminal justice training commission. The
19 commission, in collaboration with the school safety center advisory
20 committee, shall provide the school safety training for all school
21 administrators and school safety personnel, including school safety
22 personnel hired after the effective date of this section.

23 (iii) \$9,670,000 of the general fund--federal appropriation is
24 provided for safe and drug free schools and communities grants for drug
25 and violence prevention activities and strategies.

26 (iv) \$96,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$96,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the school safety center in
29 the office of the superintendent of public instruction subject to the
30 following conditions and limitations:

31 (A) The safety center shall: Disseminate successful models of
32 school safety plans and cooperative efforts; provide assistance to
33 schools to establish a comprehensive safe school plan; select models of
34 cooperative efforts that have been proven successful; act as an
35 information dissemination and resource center when an incident occurs
36 in a school district either in Washington or in another state;
37 coordinate activities relating to school safety; review and approve

1 manuals and curricula used for school safety models and training; and
2 develop and maintain a school safety information web site.

3 (B) The school safety center advisory committee shall develop a
4 training program, using the best practices in school safety, for all
5 school safety personnel.

6 (v) \$70,000 of the general fund--state appropriation for fiscal
7 year 2010 (~~((and \$70,000 of the general fund--state appropriation for~~
8 ~~fiscal year 2011--are))~~) is provided solely for the youth suicide
9 prevention program.

10 (vi) \$50,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$50,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for a nonviolence and leadership
13 training program provided by the institute for community leadership.

14 (b) TECHNOLOGY

15 (i) (~~(\$1,939,000)~~) \$1,842,000 of the general fund--state
16 appropriation for fiscal year 2010 and (~~(\$1,939,000)~~) \$1,745,000 of the
17 general fund--state appropriation for fiscal year 2011 are provided
18 solely for K-20 telecommunications network technical support in the K-
19 12 sector to prevent system failures and avoid interruptions in school
20 utilization of the data processing and video-conferencing capabilities
21 of the network. These funds may be used to purchase engineering and
22 advanced technical support for the network.

23 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
24 year 2010, \$1,045,000 of the general fund--state appropriation for
25 fiscal year 2011, and \$435,000 of the general fund--federal
26 appropriation are provided solely for implementing a comprehensive data
27 system to include financial, student, and educator data. The office of
28 the superintendent of public instruction will convene a data governance
29 group to create a comprehensive needs-requirement document, conduct a
30 gap analysis, and define operating rules and a governance structure for
31 K-12 data collections. (~~(A preliminary report shall be submitted to~~
32 ~~the fiscal committees and the education policy committees of the house~~
33 ~~of representatives and senate by November 2009.~~

34 (~~(iii) \$1,656,000 of the general fund--federal appropriation for~~
35 ~~fiscal year 2010 and \$2,483,000 of the general fund--federal~~
36 ~~appropriation for fiscal year 2011 of the American recovery and~~
37 ~~reinvestment act (ARRA) 2009 funds for education technology are~~
38 ~~provided solely for distribution to school districts, by formula, as~~

1 ~~provided in the ARRA and related federal guidelines. \$4,139,000 of the~~
2 ~~general fund federal appropriation of the American recovery and~~
3 ~~reinvestment act (ARRA) 2009 funds for education technology shall be~~
4 ~~awarded to local education agencies through a competitive grant~~
5 ~~process.))~~

6 (c) GRANTS AND ALLOCATIONS

7 (i) \$1,329,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$1,329,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the special services pilot
10 project to include up to seven participating districts. The office of
11 the superintendent of public instruction shall allocate these funds to
12 the district or districts participating in the pilot program according
13 to the provisions of RCW 28A.630.016.

14 (ii) \$750,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$750,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the Washington state achievers
17 scholarship program. The funds shall be used to support community
18 involvement officers that recruit, train, and match community volunteer
19 mentors with students selected as achievers scholars.

20 (iii) \$25,000 of the general fund--state appropriation for fiscal
21 year 2010 (~~and \$25,000 of the general fund state appropriation for~~
22 ~~fiscal year 2011 are~~) is provided solely for developing and
23 disseminating curriculum and other materials documenting women's role
24 in World War II.

25 (iv) \$175,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$175,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for incentive grants for districts
28 and pilot projects to develop preapprenticeship programs. Incentive
29 grant awards up to \$10,000 each shall be used to support the program's
30 design, school/business/labor agreement negotiations, and recruiting
31 high school students for preapprenticeship programs in the building
32 trades and crafts.

33 (v) (~~(\$3,219,000)~~) \$2,898,000 of the general fund--state
34 appropriation for fiscal year 2010 and (~~(\$3,220,000)~~) \$3,120,000 of the
35 general fund--state appropriation for fiscal year 2011 are provided
36 solely for the dissemination of the navigation 101 curriculum to all
37 districts. The funding shall support electronic student planning tools
38 and software for analyzing the impact of navigation 101 on student

1 performance, as well as grants to a maximum of one hundred school
2 districts each year, based on progress and need for the implementation
3 of the navigation 101 program. The implementation grants shall be
4 awarded to a cross-section of school districts reflecting a balance of
5 geographic and demographic characteristics. Within the amounts
6 provided, the office of the superintendent of public instruction will
7 create a navigation 101 accountability model to analyze the impact of
8 the program.

9 (vi) (~~(\$675,000)~~) \$627,000 of the general fund--state appropriation
10 for fiscal year 2010 and (~~(\$675,000)~~) \$337,000 of the general fund--
11 state appropriation for fiscal year 2011 are provided solely for
12 implementation of a statewide program for comprehensive dropout
13 prevention, intervention, and retrieval.

14 (vii) (~~(\$50,000)~~) \$40,000 of the general fund--state appropriation
15 for fiscal year 2010 (~~and \$50,000 of the general fund--state~~
16 ~~appropriation for fiscal year 2011 are~~) is provided solely for program
17 initiatives to address the educational needs of Latino students and
18 families. Using the full amounts of the appropriations under this
19 subsection (2)(c)(vii), the office of the superintendent of public
20 instruction shall contract with the Seattle community coalition of
21 compaña quetzal to provide for three initiatives: (A) Early childhood
22 education; (B) parent leadership training; and (C) high school success
23 and college preparation programs.

24 (viii) (~~(\$75,000)~~) \$60,000 of the general fund--state appropriation
25 for fiscal year 2010 and \$75,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely for a pilot
27 project to encourage bilingual high school students to pursue public
28 school teaching as a profession. Using the full amounts of the
29 appropriation under this subsection, the office of the superintendent
30 of public instruction shall contract with the Latino/a educational
31 achievement project (LEAP) to work with school districts to identify
32 and mentor not fewer than fifty bilingual students in their junior year
33 of high school, encouraging them to become bilingual instructors in
34 schools with high English language learner populations. Students shall
35 be mentored by bilingual teachers and complete a curriculum developed
36 and approved by the participating districts.

37 (ix) \$145,000 of the general fund--state appropriation for fiscal
38 year 2010 and (~~(\$145,000)~~) \$75,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely to the office of
2 the superintendent of public instruction to enhance the reading skills
3 of students with dyslexia by implementing the findings of the dyslexia
4 pilot program. Funds shall be used to provide information and training
5 to classroom teachers and reading specialists, for development of a
6 dyslexia handbook, and to take other statewide actions to improve the
7 reading skills of students with dyslexia. The training program shall
8 be delivered regionally through the educational service districts.

9 (x) \$97,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$97,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely to support vocational student
12 leadership organizations.

13 (xi) (~~(\$25,000 of the general state appropriation for fiscal year~~
14 ~~2010 and \$25,000 of the general fund state appropriation for fiscal~~
15 ~~year 2011 are provided solely for the communities in school program in~~
16 ~~Pierce county.)) \$150,000 of the general fund--state appropriation for
17 fiscal year 2011 is provided solely for drop-out prevention programs at
18 the office of the superintendent of public instruction including the
19 jobs for America's graduates (JAG) program.~~

20 **Sec. 502.** 2009 c 564 s 502 (uncodified) is amended to read as
21 follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
23 **APPORTIONMENT**

24	General Fund--State Appropriation (FY 2010)	((\$5,083,217,000))
25		<u>\$5,126,153,000</u>
26	General Fund--State Appropriation (FY 2011)	((\$5,103,543,000))
27		<u>\$5,159,625,000</u>
28	TOTAL APPROPRIATION	((\$10,186,760,000))
29		<u>\$10,285,778,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) Each general fund fiscal year appropriation includes such funds
33 as are necessary to complete the school year ending in the fiscal year
34 and for prior fiscal year adjustments.

35 (2) Allocations for certificated staff salaries for the 2009-10 and
36 2010-11 school years shall be determined using formula-generated staff
37 units calculated pursuant to this subsection. Staff allocations for

1 small school enrollments in (e) through (g) of this subsection shall be
2 reduced for vocational full-time equivalent enrollments. Staff
3 allocations for small school enrollments in grades K-6 shall be the
4 greater of that generated under (a) of this subsection, or under (d)
5 and (e) of this subsection. Certificated staffing allocations shall be
6 as follows:

7 (a) On the basis of each 1,000 average annual full-time equivalent
8 enrollments, excluding full-time equivalent enrollment otherwise
9 recognized for certificated staff unit allocations under (d) through
10 (g) of this subsection:

11 (i) Four certificated administrative staff units per thousand full-
12 time equivalent students in grades K-12;

13 (ii)(A)(I) ~~((Fifty three and two tenths certificated instructional~~
14 ~~staff units per thousand full-time equivalent students in grades K-4~~
15 ~~for districts that enroll fewer than 25 percent of their total full-~~
16 ~~time equivalent student enrollment in grades K-4 in digital or online~~
17 ~~learning programs defined in WAC 392-121-182.~~

18 ~~(B) All other districts shall be allocated a minimum of forty-nine~~
19 ~~certificated instructional staff units per 1,000 full-time equivalent~~
20 ~~(FTE) students in grades K through four, and shall be allocated~~
21 ~~additional certificated instructional staff units to equal the~~
22 ~~documented staffing level in grades K through four, up to a maximum of~~
23 ~~fifty three and two tenths certificated instructional staff units per~~
24 ~~1,000 FTE students.~~

25 ~~(C) Certificated instructional staff allocations in this subsection~~
26 ~~(2)(a)(ii) exceeding the statutory minimums established in RCW~~
27 ~~28A.150.260 shall not be considered part of basic education.)) For~~
28 ~~districts that enroll fewer than 25 percent of their total full-time~~
29 ~~equivalent student enrollment in grades K through three in digital or~~
30 ~~online learning programs as defined in WAC 392-121-182, fifty-three and~~
31 ~~two-tenths certificated instructional staff units per thousand full-~~
32 ~~time equivalent students in grades K through three.~~

33 (II) For all other districts, a minimum of forty-nine certificated
34 instructional staff units per 1,000 full-time equivalent (FTE) students
35 in grades K through three, with additional certificated instructional
36 staff units to equal the documented staffing level in grades K through
37 three, up to a maximum of fifty-three and two-tenths certificated
38 instructional staff units per 1,000 FTE students.

1 (B)(I) For districts that enroll fewer than 25 percent of their
2 total full-time equivalent student enrollment in grade four in digital
3 or online learning programs defined in WAC 392-121-182: For the 2009-
4 10 school year, fifty-three and two-tenths certificated instructional
5 staff units per thousand full-time equivalent students in grade four,
6 and for the 2010-11 school year, forty-seven and forty-three one-
7 hundredths certificated instructional staff units per thousand full-
8 time equivalent students in grade four.

9 (II) For all other districts:

10 For the 2009-10 school year, a minimum of forty-six certificated
11 instructional staff units per 1,000 full-time equivalent (FTE) students
12 in grade four, and additional certificated instructional staff units to
13 equal the documented staffing level in grade four, up to a maximum of
14 fifty-three and two-tenths certificated instructional staff units per
15 1,000 FTE students.

16 For the 2010-11 school year, a minimum of forty-six certificated
17 instructional staff units per 1,000 full-time equivalent (FTE) students
18 in grade four, and additional certificated instructional staff units to
19 equal the documented staffing level in grade four, up to a maximum of
20 forty-seven and forty-three one-hundredths certificated instructional
21 staff units per 1,000 FTE students;

22 (iii) Forty-six certificated instructional staff units per thousand
23 full-time equivalent students in grades 5-12;

24 (iv) Certificated staff allocations in this subsection (2)(a)
25 exceeding the statutory minimums established in RCW 28A.150.260 shall
26 not be considered part of basic education;

27 (b) For school districts with a minimum enrollment of 250 full-time
28 equivalent students whose full-time equivalent student enrollment count
29 in a given month exceeds the first of the month full-time equivalent
30 enrollment count by 5 percent, an additional state allocation of 110
31 percent of the share that such increased enrollment would have
32 generated had such additional full-time equivalent students been
33 included in the normal enrollment count for that particular month;

34 (c)(i) On the basis of full-time equivalent enrollment in:

35 (A) Vocational education programs approved by the superintendent of
36 public instruction, a maximum of 0.92 certificated instructional staff
37 units and 0.08 certificated administrative staff units for each 19.5
38 full-time equivalent vocational students; ((and))

1 (B) Middle school vocational STEM programs approved by the
2 superintendent of public instruction, a maximum of 0.92 certificated
3 instructional staff units and 0.8 certificated administrative staff
4 units for each 19.5 full-time equivalent vocational students; and

5 (C) Skills center programs meeting the standards for skills center
6 funding established in January 1999 by the superintendent of public
7 instruction with a waiver allowed for skills centers in current
8 operation that are not meeting this standard until the 2010-11 school
9 year, 0.92 certificated instructional staff units and 0.08 certificated
10 administrative units for each 16.67 full-time equivalent vocational
11 students;

12 (ii) Vocational full-time equivalent enrollment shall be reported
13 on the same monthly basis as the enrollment for students eligible for
14 basic support, and payments shall be adjusted for reported vocational
15 enrollments on the same monthly basis as those adjustments for
16 enrollment for students eligible for basic support; and

17 (iii) Indirect cost charges by a school district to vocational-
18 secondary programs and vocational middle-school shall not exceed 15
19 percent of the combined basic education and vocational enhancement
20 allocations of state funds;

21 (d) For districts enrolling not more than twenty-five average
22 annual full-time equivalent students in grades K-8, and for small
23 school plants within any school district which have been judged to be
24 remote and necessary by the state board of education and enroll not
25 more than twenty-five average annual full-time equivalent students in
26 grades K-8:

27 (i) For those enrolling no students in grades 7 and 8, 1.76
28 certificated instructional staff units and 0.24 certificated
29 administrative staff units for enrollment of not more than five
30 students, plus one-twentieth of a certificated instructional staff unit
31 for each additional student enrolled; and

32 (ii) For those enrolling students in grades 7 or 8, 1.68
33 certificated instructional staff units and 0.32 certificated
34 administrative staff units for enrollment of not more than five
35 students, plus one-tenth of a certificated instructional staff unit for
36 each additional student enrolled;

37 (e) For specified enrollments in districts enrolling more than
38 twenty-five but not more than one hundred average annual full-time

1 equivalent students in grades K-8, and for small school plants within
2 any school district which enroll more than twenty-five average annual
3 full-time equivalent students in grades K-8 and have been judged to be
4 remote and necessary by the state board of education:

5 (i) For enrollment of up to sixty annual average full-time
6 equivalent students in grades K-6, 2.76 certificated instructional
7 staff units and 0.24 certificated administrative staff units; and

8 (ii) For enrollment of up to twenty annual average full-time
9 equivalent students in grades 7 and 8, 0.92 certificated instructional
10 staff units and 0.08 certificated administrative staff units;

11 (f) For districts operating no more than two high schools with
12 enrollments of less than three hundred average annual full-time
13 equivalent students, for enrollment in grades 9-12 in each such school,
14 other than alternative schools:

15 (i) For remote and necessary schools enrolling students in any
16 grades 9-12 but no more than twenty-five average annual full-time
17 equivalent students in grades K-12, four and one-half certificated
18 instructional staff units and one-quarter of a certificated
19 administrative staff unit;

20 (ii) For all other small high schools under this subsection, nine
21 certificated instructional staff units and one-half of a certificated
22 administrative staff unit for the first sixty average annual full time
23 equivalent students, and additional staff units based on a ratio of
24 0.8732 certificated instructional staff units and 0.1268 certificated
25 administrative staff units per each additional forty-three and one-half
26 average annual full time equivalent students.

27 Units calculated under (f)(ii) of this subsection shall be reduced
28 by certificated staff units at the rate of forty-six certificated
29 instructional staff units and four certificated administrative staff
30 units per thousand vocational full-time equivalent students;

31 (g) For each nonhigh school district having an enrollment of more
32 than seventy annual average full-time equivalent students and less than
33 one hundred eighty students, operating a grades K-8 program or a grades
34 1-8 program, an additional one-half of a certificated instructional
35 staff unit; and

36 (h) For each nonhigh school district having an enrollment of more
37 than fifty annual average full-time equivalent students and less than

1 one hundred eighty students, operating a grades K-6 program or a grades
2 1-6 program, an additional one-half of a certificated instructional
3 staff unit.

4 (3) Allocations for classified salaries for the 2009-10 and 2010-11
5 school years shall be calculated using formula-generated classified
6 staff units determined as follows:

7 (a) For enrollments generating certificated staff unit allocations
8 under subsection (2)(e) through (h) of this section, one classified
9 staff unit for each 2.94 certificated staff units allocated under such
10 subsections;

11 (b) For all other enrollment in grades K-12, including vocational
12 full-time equivalent enrollments, one classified staff unit for each
13 58.75 average annual full-time equivalent students; and

14 (c) For each nonhigh school district with an enrollment of more
15 than fifty annual average full-time equivalent students and less than
16 one hundred eighty students, an additional one-half of a classified
17 staff unit.

18 (4) Fringe benefit allocations shall be calculated at a rate of
19 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-
20 11 school year for certificated salary allocations provided under
21 subsection (2) of this section, and a rate of (~~16.58~~) 16.59 percent
22 in the 2009-10 school year and (~~16.58~~) 16.59 percent in the 2010-11
23 school year for classified salary allocations provided under subsection
24 (3) of this section.

25 (5) Insurance benefit allocations shall be calculated at the
26 maintenance rate specified in section 504(2) of this act, based on the
27 number of benefit units determined as follows:

28 (a) The number of certificated staff units determined in subsection
29 (2) of this section; and

30 (b) The number of classified staff units determined in subsection
31 (3) of this section multiplied by 1.152. This factor is intended to
32 adjust allocations so that, for the purposes of distributing insurance
33 benefits, full-time equivalent classified employees may be calculated
34 on the basis of 1440 hours of work per year, with no individual
35 employee counted as more than one full-time equivalent.

36 (6)(a) For nonemployee-related costs associated with each
37 certificated staff unit allocated under subsection (2)(a), (b), and (d)
38 through (g) of this section, there shall be provided a maximum of

1 \$10,179 per certificated staff unit in the 2009-10 school year and a
2 maximum of (~~(\$10,445)~~) \$10,424 per certificated staff unit in the 2010-
3 11 school year.

4 (b) For nonemployee-related costs associated with each vocational
5 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
6 section, there shall be provided a maximum of \$24,999 per certificated
7 staff unit in the 2009-10 school year and a maximum of (~~(\$25,449)~~)
8 \$25,399 per certificated staff unit in the 2010-11 school year.

9 (c) For nonemployee-related costs associated with each vocational
10 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
11 section, there shall be provided a maximum of \$19,395 per certificated
12 staff unit in the 2009-10 school year and a maximum of (~~(\$19,744)~~)
13 \$19,705 per certificated staff unit in the 2010-11 school year.

14 (7) Allocations for substitute costs for classroom teachers shall
15 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
16 2010-11 school years per allocated classroom teachers exclusive of
17 salary increase amounts provided in section 504 of this act. Solely
18 for the purposes of this subsection, allocated classroom teachers shall
19 be equal to the number of certificated instructional staff units
20 allocated under subsection (2) of this section, multiplied by the ratio
21 between the number of actual basic education certificated teachers and
22 the number of actual basic education certificated instructional staff
23 reported statewide for the prior school year.

24 (8) Any school district board of directors may petition the
25 superintendent of public instruction by submission of a resolution
26 adopted in a public meeting to reduce or delay any portion of its basic
27 education allocation for any school year. The superintendent of public
28 instruction shall approve such reduction or delay if it does not impair
29 the district's financial condition. Any delay shall not be for more
30 than two school years. Any reduction or delay shall have no impact on
31 levy authority pursuant to RCW 84.52.0531 and local effort assistance
32 pursuant to chapter 28A.500 RCW.

33 (9) Funding in this section is sufficient to provide additional
34 service year credits to educational staff associates pursuant to
35 chapter 403, Laws of 2007.

36 (10)(a) The superintendent may distribute a maximum of
37 (~~(\$7,288,000)~~) \$7,286,000 outside the basic education formula during
38 fiscal years 2010 and 2011 as follows:

1 (i) For fire protection for school districts located in a fire
2 protection district as now or hereafter established pursuant to chapter
3 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
4 and a maximum of (~~(\$577,000)~~) \$576,000 may be expended in fiscal year
5 2011;

6 (ii) For summer vocational programs at skills centers, a maximum of
7 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
8 \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year
9 amount may carry over from one year to the next;

10 (iii) A maximum of (~~(\$404,000)~~) \$403,000 may be expended for school
11 district emergencies; and

12 (iv) A maximum of \$485,000 each fiscal year may be expended for
13 programs providing skills training for secondary students who are
14 enrolled in extended day school-to-work programs, as approved by the
15 superintendent of public instruction. The funds shall be allocated at
16 a rate not to exceed \$500 per full-time equivalent student enrolled in
17 those programs.

18 (b) Funding in this section is sufficient to fund a maximum of 1.6
19 FTE enrollment for skills center students pursuant to chapter 463, Laws
20 of 2007.

21 (11) For purposes of RCW 84.52.0531, the increase per full-time
22 equivalent student is 4.0 percent from the 2008-09 school year to the
23 2009-10 school year and 4.0 percent from the 2009-10 school year to the
24 2010-11 school year.

25 (12) If two or more school districts consolidate and each district
26 was receiving additional basic education formula staff units pursuant
27 to subsection (2)(b) through (g) of this section, the following shall
28 apply:

29 (a) For three school years following consolidation, the number of
30 basic education formula staff units shall not be less than the number
31 of basic education formula staff units received by the districts in the
32 school year prior to the consolidation; and

33 (b) For the fourth through eighth school years following
34 consolidation, the difference between the basic education formula staff
35 units received by the districts for the school year prior to
36 consolidation and the basic education formula staff units after
37 consolidation pursuant to subsection (2)(a) through (h) of this section
38 shall be reduced in increments of twenty percent per year.

1 (13) General apportionment payments to the Steilacoom historical
2 school district shall reflect changes to operation of the Harriet
3 Taylor elementary school consistent with the timing of reductions in
4 correctional facility capacity and staffing.

5 **Sec. 503.** 2009 c 564 s 503 (uncodified) is amended to read as
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION**
8 **EMPLOYEE COMPENSATION.** (1) The following calculations determine the
9 salaries used in the general fund allocations for certificated
10 instructional, certificated administrative, and classified staff units
11 under section 502 of this act:

12 (a) Salary allocations for certificated instructional staff units
13 shall be determined for each district by multiplying the district's
14 certificated instructional total base salary shown on LEAP Document 2
15 by the district's average staff mix factor for certificated
16 instructional staff in that school year, computed using LEAP Document
17 1; and

18 (b) Salary allocations for certificated administrative staff units
19 and classified staff units for each district shall be based on the
20 district's certificated administrative and classified salary allocation
21 amounts shown on LEAP Document 2.

22 (2) For the purposes of this section:

23 (a) "LEAP Document 1" means the staff mix factors for certificated
24 instructional staff according to education and years of experience, as
25 developed by the legislative evaluation and accountability program
26 committee on April 22, 2009, at 08:22 hours; and

27 (b) "LEAP Document 2" means the school year salary allocations for
28 certificated administrative staff and classified staff and derived and
29 total base salaries for certificated instructional staff as developed
30 by the legislative evaluation and accountability program committee on
31 April 22, 2009, at 08:22 hours.

32 (3) Incremental fringe benefit factors shall be applied to salary
33 adjustments at a rate of 14.43 percent for school year 2009-10 and
34 14.43 percent for school year 2010-11 for certificated staff and for
35 classified staff (~~((16.58))~~ 16.59 percent for school year 2009-10 and
36 (~~((16.58))~~ 16.59 percent for the 2010-11 school year.

1 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 2 allocation schedules for certificated instructional staff are
 3 established for basic education salary allocations:

	MA+90 or								
	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	PHD
4									
5									
6									
7	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
8	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
9	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
10	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
11	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
12	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
13	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
14	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
15	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
16		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
17			43,877	45,498	48,794	51,195	48,995	52,291	54,692
18				47,032	50,399	52,849	50,528	53,897	56,345
19				48,517	52,048	54,571	52,122	55,545	58,068
20					53,737	56,335	53,773	57,234	59,831
21					55,434	58,165	55,471	59,042	61,663
22					56,877	59,679	56,913	60,577	63,266
23					58,014	60,871	58,051	61,788	64,531
24									

	MA+90 or								
	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	PHD
25									
26									
27									
28	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
29	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
30	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
31	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
32	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
33									

1	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
2	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
3	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
4	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
5		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
6			43,877	45,498	48,794	51,195	48,995	52,291	54,692
7				47,032	50,399	52,849	50,528	53,897	56,345
8				48,517	52,048	54,571	52,122	55,545	58,068
9					53,737	56,335	53,773	57,234	59,831
10					55,434	58,165	55,471	59,042	61,663
11					56,877	59,679	56,913	60,577	63,266
12					58,014	60,871	58,051	61,788	64,531))

13

14

15

MA+90 OR

	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>Ph.D.</u>
16	<u>34,048</u>	<u>34,968</u>	<u>35,920</u>	<u>36,875</u>	<u>39,939</u>	<u>41,913</u>	<u>40,820</u>	<u>43,885</u>	<u>45,860</u>
17	<u>34,506</u>	<u>35,439</u>	<u>36,403</u>	<u>37,400</u>	<u>40,496</u>	<u>42,459</u>	<u>41,274</u>	<u>44,370</u>	<u>46,332</u>
18	<u>34,943</u>	<u>35,884</u>	<u>36,859</u>	<u>37,933</u>	<u>41,020</u>	<u>43,004</u>	<u>41,731</u>	<u>44,818</u>	<u>46,802</u>
19	<u>35,393</u>	<u>36,343</u>	<u>37,329</u>	<u>38,437</u>	<u>41,518</u>	<u>43,549</u>	<u>42,164</u>	<u>45,243</u>	<u>47,276</u>
20	<u>35,834</u>	<u>36,826</u>	<u>37,818</u>	<u>38,964</u>	<u>42,064</u>	<u>44,110</u>	<u>42,618</u>	<u>45,718</u>	<u>47,765</u>
21	<u>36,290</u>	<u>37,287</u>	<u>38,288</u>	<u>39,498</u>	<u>42,586</u>	<u>44,673</u>	<u>43,080</u>	<u>46,169</u>	<u>48,256</u>
22	<u>36,759</u>	<u>37,734</u>	<u>38,769</u>	<u>40,039</u>	<u>43,113</u>	<u>45,211</u>	<u>43,552</u>	<u>46,626</u>	<u>48,723</u>
23	<u>37,582</u>	<u>38,572</u>	<u>39,621</u>	<u>40,960</u>	<u>44,079</u>	<u>46,235</u>	<u>44,438</u>	<u>47,556</u>	<u>49,713</u>
24	<u>38,787</u>	<u>39,831</u>	<u>40,905</u>	<u>42,355</u>	<u>45,516</u>	<u>47,751</u>	<u>45,832</u>	<u>48,994</u>	<u>51,228</u>
25		<u>41,135</u>	<u>42,262</u>	<u>43,765</u>	<u>46,999</u>	<u>49,310</u>	<u>47,241</u>	<u>50,477</u>	<u>52,788</u>
26			<u>43,635</u>	<u>45,247</u>	<u>48,524</u>	<u>50,913</u>	<u>48,724</u>	<u>52,003</u>	<u>54,390</u>
27				<u>46,772</u>	<u>50,121</u>	<u>52,557</u>	<u>50,249</u>	<u>53,599</u>	<u>56,034</u>
28				<u>48,249</u>	<u>51,761</u>	<u>54,269</u>	<u>51,835</u>	<u>55,238</u>	<u>57,748</u>
29					<u>53,440</u>	<u>56,024</u>	<u>53,476</u>	<u>56,918</u>	<u>59,501</u>
30					<u>55,128</u>	<u>57,844</u>	<u>55,165</u>	<u>58,716</u>	<u>61,322</u>
31					<u>56,563</u>	<u>59,349</u>	<u>56,599</u>	<u>60,242</u>	<u>62,917</u>
32					<u>57,693</u>	<u>60,535</u>	<u>57,731</u>	<u>61,447</u>	<u>64,174</u>

1 (b) As used in this subsection, the column headings "BA+(N)" refer
2 to the number of credits earned since receiving the baccalaureate
3 degree.

4 (c) For credits earned after the baccalaureate degree but before
5 the masters degree, any credits in excess of forty-five credits may be
6 counted after the masters degree. Thus, as used in this subsection,
7 the column headings "MA+(N)" refer to the total of:

8 (i) Credits earned since receiving the masters degree; and

9 (ii) Any credits in excess of forty-five credits that were earned
10 after the baccalaureate degree but before the masters degree.

11 (5) For the purposes of this section:

12 (a) "BA" means a baccalaureate degree.

13 (b) "MA" means a masters degree.

14 (c) "PHD" means a doctorate degree.

15 (d) "Years of service" shall be calculated under the same rules
16 adopted by the superintendent of public instruction.

17 (e) "Credits" means college quarter hour credits and equivalent in-
18 service credits computed in accordance with RCW 28A.415.020 and
19 28A.415.023.

20 (6) No more than ninety college quarter-hour credits received by
21 any employee after the baccalaureate degree may be used to determine
22 compensation allocations under the state salary allocation schedule and
23 LEAP documents referenced in this act, or any replacement schedules and
24 documents, unless:

25 (a) The employee has a masters degree; or

26 (b) The credits were used in generating state salary allocations
27 before January 1, 1992.

28 (7) The certificated instructional staff base salary specified for
29 each district in LEAP Document 2 and the salary schedules in subsection
30 (4)(a) of this section include one learning improvement day for the
31 2009-10 school year and zero learning improvement days for the 2010-11
32 school year. A school district is eligible for the learning
33 improvement day funds only if the learning improvement day has been
34 added to the 180-day contract year. If fewer days are added, the
35 additional learning improvement allocation shall be adjusted
36 accordingly. The additional day shall be limited to specific
37 activities identified in the state required school improvement plan
38 related to improving student learning that are consistent with

1 education reform implementation, and shall not be considered part of
2 basic education. The principal in each school shall assure that the
3 days are used to provide the necessary school-wide, all staff
4 professional development that is tied directly to the school
5 improvement plan. The school principal and the district superintendent
6 shall maintain documentation as to their approval of these activities.
7 The length of a learning improvement day shall not be less than the
8 length of a full day under the base contract. The superintendent of
9 public instruction shall ensure that school districts adhere to the
10 intent and purposes of this subsection.

11 (8) The salary allocation schedules established in this section are
12 for allocation purposes only except as provided in RCW 28A.400.200(2).

13 **Sec. 504.** 2009 c 564 s 504 (uncodified) is amended to read as
14 follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
16 **COMPENSATION ADJUSTMENTS**

17	General Fund--State Appropriation (FY 2010)	((\$4,215,000))
18		<u>(\$4,414,000)</u>
19	General Fund--State Appropriation (FY 2011)	((\$14,172,000))
20		<u>(\$1,806,000)</u>
21	General Fund--Federal Appropriation	((\$6,000))
22		<u>(\$1,000)</u>
23	TOTAL APPROPRIATION	((\$9,963,000))
24		<u>(\$6,221,000)</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1)(a) Additional salary adjustments as necessary to fund the base
28 salaries for certificated instructional staff as listed for each
29 district in LEAP Document 2, defined in section 503(2)(b) of this act.
30 Allocations for these salary adjustments shall be provided to all
31 districts that are not grandfathered to receive salary allocations
32 above the statewide salary allocation schedule, and to certain
33 grandfathered districts to the extent necessary to ensure that salary
34 allocations for districts that are currently grandfathered do not fall
35 below the statewide salary allocation schedule.

36 (b) Additional salary adjustments to certain districts as necessary
37 to fund the per full-time-equivalent salary allocations for

1 certificated administrative staff as listed for each district in LEAP
 2 Document 2, defined in section 503(2)(b) of this act. These
 3 adjustments shall ensure a minimum salary allocation for certificated
 4 administrative staff of \$57,986 in the 2009-10 school year and \$57,986
 5 in the 2010-11 school year.

6 (c) Additional salary adjustments to certain districts as necessary
 7 to fund the per full-time-equivalent salary allocations for classified
 8 staff as listed for each district in LEAP Document 2, defined in
 9 section 503(2)(b) of this act. These salary adjustments ensure a
 10 minimum salary allocation for classified staff of \$31,865 in the 2009-
 11 10 school year and \$31,865 in the 2010-11 school year.

12 (d) The appropriations in this subsection (1) include associated
 13 incremental fringe benefit allocations at rates 13.79 percent for the
 14 2009-10 school year and 13.79 percent for the 2010-11 school year for
 15 certificated staff and ((~~13.08~~)) 13.09 percent for the 2009-10 school
 16 year and ((~~13.08~~)) 13.09 percent for the 2010-11 school year for
 17 classified staff.

18 (e) The appropriations in this section include the increased or
 19 decreased portion of salaries and incremental fringe benefits for all
 20 relevant state-funded school programs in part V of this act. Changes
 21 for general apportionment (basic education) are based on the salary
 22 allocation schedules and methodology in sections 502 and 503 of this
 23 act. Changes for special education result from changes in each
 24 district's basic education allocation per student. Changes for
 25 educational service districts and institutional education programs are
 26 determined by the superintendent of public instruction using the
 27 methodology for general apportionment salaries and benefits in sections
 28 502 and 503 of this act. The appropriations in this section provide
 29 incremental fringe benefit alterations based on formula adjustments as
 30 follows:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0	\$0
Highly Capable (per formula student)	(\$1.49)	(((\$1.49)))
		<u>(\$2.98)</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) Each general fund fiscal year appropriation includes such funds
4 as are necessary to complete the school year ending in the fiscal year
5 and for prior fiscal year adjustments.

6 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation
7 and a maximum of (~~(\$894,000)~~) \$892,000 of the fiscal year 2011
8 appropriation may be expended for regional transportation coordinators
9 and related activities. The transportation coordinators shall ensure
10 that data submitted by school districts for state transportation
11 funding shall, to the greatest extent practical, reflect the actual
12 transportation activity of each district.

13 (3) Allocations for transportation of students shall be based on
14 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school
15 year and (~~(\$48.40)~~) \$48.37 per weighted mile in the 2010-11 school year
16 exclusive of salary and benefit adjustments provided in section 504 of
17 this act. Allocations for transportation of students transported more
18 than one radius mile shall be based on weighted miles as determined by
19 superintendent of public instruction multiplied by the per mile
20 reimbursement rates for the school year pursuant to the formulas
21 adopted by the superintendent of public instruction. Allocations for
22 transportation of students living within one radius mile shall be based
23 on the number of enrolled students in grades kindergarten through five
24 living within one radius mile of their assigned school multiplied by
25 the per mile reimbursement rate for the school year multiplied by 1.29.

26 (4) The office of the superintendent of public instruction shall
27 provide reimbursement funding to a school district only after the
28 superintendent of public instruction determines that the school bus was
29 purchased from the list established pursuant to RCW 28A.160.195(2) or
30 a comparable competitive bid process based on the lowest price quote
31 based on similar bus categories to those used to establish the list
32 pursuant to RCW 28A.160.195.

33 (5) The superintendent of public instruction shall base
34 depreciation payments for school district buses on the pre-sales tax
35 five-year average of lowest bids in the appropriate category of bus.
36 In the final year on the depreciation schedule, the depreciation
37 payment shall be based on the lowest bid in the appropriate bus
38 category for that school year.

1 (6) Funding levels in this section reflect reductions from the
2 implementation of Substitute House Bill No. 1292 (authorizing waivers
3 from the one hundred eighty-day school year requirement in order to
4 allow four-day school weeks).

5 **Sec. 506.** 2009 c 564 s 506 (uncodified) is amended to read as
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
8 **PROGRAMS**

9	General Fund--State Appropriation (FY 2010)	\$3,159,000
10	General Fund--State Appropriation (FY 2011)	\$3,159,000
11	General Fund--Federal Appropriation	((\$281,988,000))
12		<u>\$391,988,000</u>
13	TOTAL APPROPRIATION	((\$288,306,000))
14		<u>\$398,306,000</u>

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1) \$3,000,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$3,000,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided for state matching money for federal
20 child nutrition programs.

21 (2) \$100,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$100,000 of the 2011 fiscal year appropriation are
23 provided for summer food programs for children in low-income areas.

24 (3) \$59,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$59,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely to reimburse school districts for
27 school breakfasts served to students enrolled in the free or reduced
28 price meal program pursuant to chapter 287, Laws of 2005 (requiring
29 school breakfast programs in certain schools).

30 ~~((4) \$1,588,000 of the general fund federal appropriation of~~
31 ~~American recovery and reinvestment act of 2009 (ARRA) funds is provided~~
32 ~~solely for equipment assistance to school food authorities (SFAs)~~
33 ~~participating in the national school lunch program (NSLP). Local SFAs~~
34 ~~may apply to the office of the superintendent of public instruction to~~
35 ~~receive grants in accordance with provisions of the ARRA. As~~
36 ~~stipulated in the ARRA, priority will be given to SFAs for equipment~~

1 ~~for schools in which at least 50 percent of the students are eligible~~
2 ~~for free or reduced priced meals.))~~

3 **Sec. 507.** 2009 c 564 s 507 (uncodified) is amended to read as
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010)	((\$640,959,000))
8		<u>\$632,136,000</u>
9	General Fund--State Appropriation (FY 2011)	((\$652,388,000))
10		<u>\$650,856,000</u>
11	General Fund--Federal Appropriation	((\$656,052,000))
12		<u>\$664,601,000</u>
13	Education Legacy Trust Account--State	
14	Appropriation	\$756,000
15	TOTAL APPROPRIATION	((\$1,950,155,000))
16		<u>\$1,948,349,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) Funding for special education programs is provided on an excess
20 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
21 that special education students as a class receive their full share of
22 the general apportionment allocation accruing through sections 502 and
23 504 of this act. To the extent a school district cannot provide an
24 appropriate education for special education students under chapter
25 28A.155 RCW through the general apportionment allocation, it shall
26 provide services through the special education excess cost allocation
27 funded in this section.

28 (2)(a) The superintendent of public instruction shall ensure that:

- 29 (i) Special education students are basic education students first;
- 30 (ii) As a class, special education students are entitled to the
31 full basic education allocation; and

32 (iii) Special education students are basic education students for
33 the entire school day.

34 (b) The superintendent of public instruction shall continue to
35 implement the full cost method of excess cost accounting, as designed
36 by the committee and recommended by the superintendent, pursuant to
37 section 501(1)(k), chapter 372, Laws of 2006.

1 (3) Each fiscal year appropriation includes such funds as are
2 necessary to complete the school year ending in the fiscal year and for
3 prior fiscal year adjustments.

4 (4) The superintendent of public instruction shall distribute state
5 funds to school districts based on two categories: (a) The first
6 category includes (i) children birth through age two who are eligible
7 for the optional program for special education eligible developmentally
8 delayed infants and toddlers, and (ii) students eligible for the
9 mandatory special education program and who are age three or four, or
10 five and not yet enrolled in kindergarten; and (b) the second category
11 includes students who are eligible for the mandatory special education
12 program and who are age five and enrolled in kindergarten and students
13 age six through 21.

14 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
15 shall make allocations to each district based on the sum of:

16 (i) A district's annual average headcount enrollment of students
17 ages birth through four and those five year olds not yet enrolled in
18 kindergarten, as defined in subsection (4) of this section, multiplied
19 by the district's average basic education allocation per full-time
20 equivalent student, multiplied by 1.15; and

21 (ii) A district's annual average full-time equivalent basic
22 education enrollment multiplied by the funded enrollment percent
23 determined pursuant to subsection (6)(b) of this section, multiplied by
24 the district's average basic education allocation per full-time
25 equivalent student multiplied by 0.9309.

26 (b) For purposes of this subsection, "average basic education
27 allocation per full-time equivalent student" for a district shall be
28 based on the staffing ratios required by RCW 28A.150.260 and shall not
29 include enhancements, secondary vocational education, or small schools
30 in the 2009-10 school year. In the 2010-11 school year, the per
31 student allocation under this subsection (5)(b) shall include the same
32 factors as in the 2009-10 school year, but shall also include the
33 classified staff enhancements included in section 502(3)(b).

34 (6) The definitions in this subsection apply throughout this
35 section.

36 (a) "Annual average full-time equivalent basic education
37 enrollment" means the resident enrollment including students enrolled
38 through choice (RCW 28A.225.225) and students from nonhigh districts

1 (RCW 28A.225.210) and excluding students residing in another district
2 enrolled as part of an interdistrict cooperative program (RCW
3 28A.225.250).

4 (b) "Enrollment percent" means the district's resident special
5 education annual average enrollment, excluding the birth through age
6 four enrollment and those five year olds not yet enrolled in
7 kindergarten, as a percent of the district's annual average full-time
8 equivalent basic education enrollment.

9 Each district's general fund--state funded special education
10 enrollment shall be the lesser of the district's actual enrollment
11 percent or 12.7 percent.

12 (7) At the request of any interdistrict cooperative of at least 15
13 districts in which all excess cost services for special education
14 students of the districts are provided by the cooperative, the maximum
15 enrollment percent shall be calculated in accordance with subsection
16 (6)(b) of this section, and shall be calculated in the aggregate rather
17 than individual district units. For purposes of this subsection, the
18 average basic education allocation per full-time equivalent student
19 shall be calculated in the aggregate rather than individual district
20 units.

21 (8) To the extent necessary, (~~(\$73,668,000)~~) \$44,269,000 of the
22 general fund--state appropriation and \$29,574,000 of the general fund--
23 federal appropriation are provided for safety net awards for districts
24 with demonstrated needs for special education funding beyond the
25 amounts provided in subsection (5) of this section. If the federal
26 safety net awards based on the federal eligibility threshold exceed the
27 federal appropriation in this subsection (8) in any fiscal year, the
28 superintendent shall expend all available federal discretionary funds
29 necessary to meet this need. Safety net funds shall be awarded by the
30 state safety net oversight committee subject to the following
31 conditions and limitations:

32 (a) The committee shall consider unmet needs for districts that can
33 convincingly demonstrate that all legitimate expenditures for special
34 education exceed all available revenues from state funding formulas.
35 In the determination of need, the committee shall also consider
36 additional available revenues from federal sources. Differences in
37 program costs attributable to district philosophy, service delivery
38 choice, or accounting practices are not a legitimate basis for safety

1 net awards. In the determination of need, the committee shall require
2 that districts demonstrate that they are maximizing their eligibility
3 for all state and federal revenues related to services for special
4 education-eligible students. Awards associated with (b) and (c) of
5 this subsection shall not exceed the total of a district's specific
6 determination of need.

7 (b) The committee shall then consider the extraordinary high cost
8 needs of one or more individual special education students.
9 Differences in costs attributable to district philosophy, service
10 delivery choice, or accounting practices are not a legitimate basis for
11 safety net awards.

12 (c) Using criteria developed by the committee, the committee shall
13 then consider extraordinary costs associated with communities that draw
14 a larger number of families with children in need of special education
15 services. The safety net awards to school districts shall be adjusted
16 to reflect amounts awarded under (b) of this subsection.

17 (d) The maximum allowable indirect cost for calculating safety net
18 eligibility may not exceed the federal restricted indirect cost rate
19 for the district plus one percent.

20 (e) Safety net awards must be adjusted for any audit findings or
21 exceptions related to special education funding.

22 (f) Safety net awards shall be adjusted based on the percent of
23 potential medicaid eligible students billed as calculated by the
24 superintendent in accordance with chapter 318, Laws of 1999. The state
25 safety net oversight committee shall ensure that safety net
26 documentation and awards are based on current medicaid revenue amounts.

27 (g) The office of the superintendent of public instruction, at the
28 conclusion of each school year, shall recover safety net funds that
29 were distributed prospectively but for which districts were not
30 subsequently eligible.

31 (9) The superintendent of public instruction may adopt such rules
32 and procedures as are necessary to administer the special education
33 funding and safety net award process. Prior to revising any standards,
34 procedures, or rules, the superintendent shall consult with the office
35 of financial management and the fiscal committees of the legislature.

36 (10) The safety net oversight committee appointed by the
37 superintendent of public instruction shall consist of:

1 (a) One staff from the office of superintendent of public
2 instruction;

3 (b) Staff of the office of the state auditor who shall be nonvoting
4 members of the committee; and

5 (c) One or more representatives from school districts or
6 educational service districts knowledgeable of special education
7 programs and funding.

8 (11) The office of the superintendent of public instruction shall
9 review and streamline the application process to access safety net
10 funds, provide technical assistance to school districts, and annually
11 survey school districts regarding improvement to the process.

12 (12) A maximum of \$678,000 may be expended from the general fund--
13 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
14 full-time equivalent aides at children's orthopedic hospital and
15 medical center. This amount is in lieu of money provided through the
16 home and hospital allocation and the special education program.

17 (13) The superintendent shall maintain the percentage of federal
18 flow-through to school districts at 85 percent. In addition to other
19 purposes, school districts may use increased federal funds for high-
20 cost students, for purchasing regional special education services from
21 educational service districts, and for staff development activities
22 particularly relating to inclusion issues.

23 (14) A school district may carry over from one year to the next
24 year up to 10 percent of the general fund--state funds allocated under
25 this program; however, carryover funds shall be expended in the special
26 education program.

27 (15) \$262,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$251,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for two additional full-time
30 equivalent staff to support the work of the safety net committee and to
31 provide training and support to districts applying for safety net
32 awards.

33 ~~(16) ((\$221,357,000 of the general fund federal appropriation of
34 American recovery and reinvestment act of 2009 funds is provided solely
35 for the individuals with disabilities education act (IDEA), Part B, for
36 distribution to school districts. The funds' use is to be consistent
37 with the current IDEA, Part B statutory and regulatory requirements.~~

1 receive and screen applications for school accreditation, conduct
2 school accreditation site visits pursuant to state board of education
3 rules, and submit to the state board of education post-site visit
4 recommendations for school accreditation. The educational service
5 districts may assess a cooperative service fee to recover actual plus
6 reasonable indirect costs for the purposes of this subsection.

7 **Sec. 509.** 2009 c 564 s 509 (uncodified) is amended to read as
8 follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
10 **ASSISTANCE**

11	General Fund--State Appropriation (FY 2010)	((\$42,921,000))
12		<u>\$93,141,000</u>
13	General Fund--State Appropriation (FY 2011)	((\$209,997,000))
14		<u>\$286,911,000</u>
15	General Fund--Federal Appropriation	((\$176,284,000))
16		<u>\$157,043,000</u>
17	TOTAL APPROPRIATION	((\$429,202,000))
18		<u>\$537,095,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 ((~~\$176,284,000~~)) (1) \$157,043,000 of the general fund--federal
22 appropriation for fiscal year 2010 is provided solely for American
23 recovery and reinvestment act of 2009 (ARRA) fiscal stabilization funds
24 to restore state reductions for local effort assistance payments.

25 (2) \$21,808,000 of the general fund--state appropriation for fiscal
26 year 2011 is provided solely for implementation of Substitute House
27 Bill No. 2893 (school levies). If the bill is not enacted by June 30,
28 2010, the amount provided in this subsection shall lapse.

29 **Sec. 510.** 2009 c 564 s 510 (uncodified) is amended to read as
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
32 **EDUCATION PROGRAMS**

33	General Fund--State Appropriation (FY 2010)	((\$18,943,000))
34		<u>\$18,059,000</u>
35	General Fund--State Appropriation (FY 2011)	((\$17,992,000))
36		<u>\$19,006,000</u>

1 TOTAL APPROPRIATION ((~~\$36,935,000~~))
2 \$37,065,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) Each general fund--state fiscal year appropriation includes
6 such funds as are necessary to complete the school year ending in the
7 fiscal year and for prior fiscal year adjustments.

8 (2) State funding provided under this section is based on salaries
9 and other expenditures for a 220-day school year. The superintendent
10 of public instruction shall monitor school district expenditure plans
11 for institutional education programs to ensure that districts plan for
12 a full-time summer program.

13 (3) State funding for each institutional education program shall be
14 based on the institution's annual average full-time equivalent student
15 enrollment. Staffing ratios for each category of institution shall
16 remain the same as those funded in the 1995-97 biennium.

17 (4) The funded staffing ratios for education programs for juveniles
18 age 18 or less in department of corrections facilities shall be the
19 same as those provided in the 1997-99 biennium.

20 (5) ((~~\$329,000~~)) \$228,000 of the general fund--state appropriation
21 for fiscal year 2010 and ((~~\$329,000~~)) \$228,000 of the general fund--
22 state appropriation for fiscal year 2011 are provided solely to
23 maintain at least one certificated instructional staff and related
24 support services at an institution whenever the K-12 enrollment is not
25 sufficient to support one full-time equivalent certificated
26 instructional staff to furnish the educational program. The following
27 types of institutions are included: Residential programs under the
28 department of social and health services for developmentally disabled
29 juveniles, programs for juveniles under the department of corrections,
30 and programs for juveniles under the juvenile rehabilitation
31 administration.

32 (6) Ten percent of the funds allocated for each institution may be
33 carried over from one year to the next.

34 **Sec. 511.** 2009 c 564 s 511 (uncodified) is amended to read as
35 follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**

1 **CAPABLE STUDENTS**

2	General Fund--State Appropriation (FY 2010)	((\$9,430,000))
3		<u>\$9,189,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$9,437,000))
5		<u>\$9,188,000</u>
6	TOTAL APPROPRIATION	((\$18,867,000))
7		<u>\$18,377,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) Each general fund fiscal year appropriation includes such funds
11 as are necessary to complete the school year ending in the fiscal year
12 and for prior fiscal year adjustments.

13 (2) Allocations for school district programs for highly capable
14 students shall be distributed at a maximum rate of \$401.08 per funded
15 student for the 2009-10 school year and \$401.08 per funded student for
16 the 2010-11 school year, exclusive of salary and benefit adjustments
17 pursuant to section 504 of this act. The number of funded students
18 shall be a maximum of 2.314 percent of each district's full-time
19 equivalent basic education enrollment.

20 (3) \$90,000 of the fiscal year 2010 appropriation and \$90,000 of
21 the fiscal year 2011 appropriation are provided for the Washington
22 destination imagination network and future problem-solving programs.

23 (4) \$170,000 of the fiscal year 2010 appropriation and \$170,000 of
24 the fiscal year 2011 appropriation are provided for the centrum program
25 at Fort Worden state park.

26 **Sec. 512.** 2009 c 564 s 512 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**
29 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**
30 **THE NO CHILD LEFT BEHIND ACT**

31	General Fund--Federal Appropriation	((\$43,450,000))
32		<u>\$43,886,000</u>

33 **Sec. 513.** 2010 c 3 s 501 (uncodified) is amended to read as
34 follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**

1 end-of-course assessment measuring student achievement of the state
2 science standards in biology to be implemented statewide in the 2011-12
3 school year. By December 1, 2010, the superintendent of public
4 instruction shall recommend whether additional end-of-course
5 assessments in science should be developed and in which content areas.
6 Any recommendation for additional assessments must include an
7 implementation timeline and the projected cost to develop and
8 administer the assessments.

9 (4) \$1,014,000 of the education legacy trust account appropriation
10 is provided solely for allocations to districts for salaries and
11 benefits for the equivalent of two additional professional development
12 days for fourth and fifth grade teachers during the 2008-2009 school
13 year. The allocations shall be made based on the calculations of
14 certificated instructional staff units for fourth and fifth grade
15 provided in section 502 of this act and on the calculations of
16 compensation provided in sections 503 and 504 of this act. Districts
17 may use the funding to support additional days for professional
18 development as well as job-embedded forms of professional development.

19 ~~((4))~~ (5) \$3,241,000 of the education legacy trust fund
20 appropriation is provided solely for allocations to districts for
21 salaries and benefits for the equivalent of three additional
22 professional development days for middle and high school math and
23 science teachers during the 2008-2009 school year, as well as
24 specialized training for one math and science teacher in each middle
25 school and high school during the 2008-2009 school year. Districts may
26 use the funding to support additional days for professional development
27 as well as job-embedded forms of professional development.

28 ~~((5)-\$3,850,000))~~ (6) \$3,773,000 of the education legacy trust
29 account--state appropriation is provided solely for a math and science
30 instructional coaches program pursuant to chapter 396, Laws of 2007.
31 Funding shall be used to provide grants to schools and districts to
32 provide salaries, benefits, and professional development activities for
33 up to twenty-five instructional coaches in middle and high school math
34 and twenty-five instructional coaches in middle and high school science
35 in each year of the biennium; and up to \$300,000 may be used by the
36 office of the superintendent of public instruction to administer and
37 coordinate the program.

1 (~~(6)~~-\$1,781,000)) (7) \$1,740,000 of the general fund--state
2 appropriation for fiscal year 2010 and (~~(\$1,943,000)~~) \$1,775,000 of the
3 general fund--state appropriation for fiscal year 2011 are provided
4 solely to allow approved middle and junior high school career and
5 technical education programs to receive enhanced vocational funding.
6 The office of the superintendent of public instruction shall provide
7 allocations to districts for middle and junior high school students in
8 accordance with the funding formulas provided in section 502 of this
9 act. If Second Substitute Senate Bill No. 5676 is enacted the
10 allocations are formula-driven, otherwise the office of the
11 superintendent shall consider the funding provided in this subsection
12 as a fixed amount, and shall adjust funding to stay within the amounts
13 provided in this subsection.

14 (~~(7)~~) (8) \$139,000 of the general fund--state appropriation for
15 fiscal year 2010 and \$139,000 of the general fund--state appropriation
16 for fiscal year 2011 are provided solely for (a) staff at the office of
17 the superintendent of public instruction to coordinate and promote
18 efforts to develop integrated math, science, technology, and
19 engineering programs in schools and districts across the state; and (b)
20 grants of \$2,500 to provide twenty middle and high school teachers each
21 year professional development training for implementing integrated
22 math, science, technology, and engineering program in their schools.

23 (~~(8)~~-\$1,579,000)) (9) \$1,473,000 of the general fund--state
24 appropriation for fiscal year 2010 and (~~(\$1,579,000)~~) \$395,000 of the
25 general fund--state appropriation for fiscal year 2011 are provided
26 solely for the Washington state leadership and assistance for science
27 education reform (LASER) regional partnership activities coordinated at
28 the Pacific science center, including instructional material purchases,
29 teacher and principal professional development, and school and
30 community engagement events. Funding shall be distributed to the
31 various LASER activities in a manner proportional to LASER program
32 spending during the 2007-2009 biennium.

33 (~~(9)~~-\$81,010,000)) (10) \$88,981,000 of the education legacy trust
34 account--state appropriation is provided solely for grants for
35 voluntary full-day kindergarten at the highest poverty schools, as
36 provided in chapter 400, Laws of 2007. The office of the
37 superintendent of public instruction shall provide allocations to
38 districts for recipient schools in accordance with the funding formulas

1 provided in section 502 of this act. Each kindergarten student who
2 enrolls for the voluntary full-day program in a recipient school shall
3 count as one-half of one full-time equivalent student for the purpose
4 of making allocations under this subsection. Although the allocations
5 are formula-driven, the office of the superintendent shall consider the
6 funding provided in this subsection as a fixed amount, and shall limit
7 the number of recipient schools so as to stay within the amounts
8 appropriated each fiscal year in this subsection. The funding provided
9 in this subsection is estimated to provide full-day kindergarten
10 programs for 20 percent of kindergarten enrollment. Funding priority
11 shall be given to schools with the highest poverty levels, as measured
12 by prior year free and reduced priced lunch eligibility rates in each
13 school. Additionally, as a condition of funding, school districts must
14 agree to provide the full-day program to the children of parents who
15 request it in each eligible school. For the purposes of calculating a
16 school district levy base, funding provided in this subsection shall be
17 considered a state block grant program under RCW 84.52.0531.

18 (a) Of the amounts provided in this subsection, a maximum of
19 \$272,000 may be used for administrative support of the full-day
20 kindergarten program within the office of the superintendent of public
21 instruction.

22 (b) Student enrollment pursuant to this program shall not be
23 included in the determination of a school district's overall K-12 FTE
24 for the allocation of student achievement programs and other funding
25 formulas unless specifically stated.

26 ~~((+10+))~~ (11) \$700,000 of the general fund--state appropriation for
27 fiscal year 2010 and \$900,000 of the general fund--state appropriation
28 for fiscal year 2011 are provided solely for the development of a
29 leadership academy for school principals and administrators. The
30 superintendent of public instruction shall contract with an independent
31 organization to design, field test, and implement a state-of-the-art
32 education leadership academy that will be accessible throughout the
33 state. Initial development of the content of the academy activities
34 shall be supported by private funds. Semiannually the independent
35 organization shall report on amounts committed by foundations and
36 others to support the development and implementation of this program.
37 Leadership academy partners, with varying roles, shall include the
38 state level organizations for school administrators and principals, the

1 superintendent of public instruction, the professional educator
2 standards board, and others as the independent organization shall
3 identify.

4 ~~((11))~~ (12) \$105,754,000 of the general fund--federal
5 appropriation is provided for preparing, training, and recruiting high
6 quality teachers and principals under Title II of the no child left
7 behind act.

8 ~~((12)-\$1,546,000))~~ (13) \$1,960,000 of the general fund--state
9 appropriation for fiscal year 2010 and ~~((3,046,000))~~ \$1,523,000 of the
10 general fund--state appropriation for fiscal year 2011 are provided
11 solely to the office of the superintendent of public instruction for
12 focused assistance. The office of the superintendent of public
13 instruction shall conduct educational audits of low-performing schools
14 and enter into performance agreements between school districts and the
15 office to implement the recommendations of the audit and the community.
16 Funding in this subsection ~~((may))~~ shall be used for focused assistance
17 programs for individual schools ~~((as well as))~~ or school districts.
18 The office of the superintendent of public instruction shall report to
19 the fiscal committees of the legislature by September 1, 2011,
20 providing an accounting of the uses of focused assistance funds during
21 the 2009-11 fiscal biennium, including a list of schools served and the
22 types of services provided.

23 ~~((13) \$30,702,000 of the general fund--federal appropriation is~~
24 ~~provided for the reading first program under Title I of the no child~~
25 ~~left behind act.))~~

26 (14) \$1,667,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$1,667,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely to eliminate the lunch co-pay for
29 students in grades kindergarten through third grade that are eligible
30 for reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$5,285,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for: (a) The meals for kids
34 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the
35 breakfast co-pay for students eligible for reduced price lunch; and (c)
36 for additional assistance for school districts initiating a summer food
37 service program.

1 (16) (~~(\$1,056,000)~~) \$1,003,000 of the general fund--state
2 appropriation for fiscal year 2010 and \$1,056,000 of the general fund--
3 state appropriation for fiscal year 2011 are provided solely for the
4 Washington reading corps. The superintendent shall allocate reading
5 corps members to low-performing schools and school districts that are
6 implementing comprehensive, proven, research-based reading programs.
7 Two or more schools may combine their Washington reading corps
8 programs. Grants provided under this section may be used by school
9 districts for expenditures from September 2009 through August 31, 2011.

10 (17) (~~(\$3,594,000)~~) \$3,269,000 of the general fund--state
11 appropriation for fiscal year 2010 and \$3,594,000 of the general fund--
12 state appropriation for fiscal year 2011 are provided solely for grants
13 to school districts to provide a continuum of care for children and
14 families to help children become ready to learn. Grant proposals from
15 school districts shall contain local plans designed collaboratively
16 with community service providers. If a continuum of care program
17 exists in the area in which the school district is located, the local
18 plan shall provide for coordination with existing programs to the
19 greatest extent possible. Grant funds shall be allocated pursuant to
20 RCW 70.190.040.

21 (18) (~~(\$1,959,000)~~) \$1,861,000 of the general fund--state
22 appropriation for fiscal year 2010 and \$1,959,000 of the general fund--
23 state appropriation for fiscal year 2011 are provided solely for
24 improving technology infrastructure, monitoring and reporting on school
25 district technology development, promoting standards for school
26 district technology, promoting statewide coordination and planning for
27 technology development, and providing regional educational technology
28 support centers, including state support activities, under chapter
29 28A.650 RCW.

30 (19) \$225,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$225,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the operation of the center
33 for the improvement of student learning pursuant to RCW 28A.300.130.

34 (20) (~~(\$250,000)~~) \$246,000 of the education legacy trust account--
35 state appropriation is provided solely for costs associated with the
36 office of the superintendent of public instruction's statewide director
37 of technology position.

1 (21)(a) (~~(\$28,270,000)~~) \$28,715,000 of the general fund--state
2 appropriation for fiscal year 2010 and (~~(\$36,513,000)~~) \$36,168,000 of
3 the general fund--state appropriation for fiscal year 2011 are provided
4 solely for the following bonuses for teachers who hold valid, unexpired
5 certification from the national board for professional teaching
6 standards and who are teaching in a Washington public school, subject
7 to the following conditions and limitations:

8 (i) For national board certified teachers, a bonus of \$5,000 per
9 teacher beginning in the 2007-08 school year and adjusted for inflation
10 in each school year thereafter in which Initiative 732 cost of living
11 adjustments are provided(~~(. National board certified teachers who
12 become public school principals shall continue to receive this bonus
13 for as long as they are principals and maintain the national board
14 certification))~~);

15 (ii) An additional \$5,000 annual bonus shall be paid to national
16 board certified teachers who teach in either: (A) High schools where
17 at least 50 percent of student headcount enrollment is eligible for
18 federal free or reduced price lunch, (B) middle schools where at least
19 60 percent of student headcount enrollment is eligible for federal free
20 or reduced price lunch, or (C) elementary schools where at least 70
21 percent of student headcount enrollment is eligible for federal free or
22 reduced price lunch;

23 (iii) The superintendent of public instruction shall adopt rules to
24 ensure that national board certified teachers meet the qualifications
25 for bonuses under (a)(ii) of this subsection for less than one full
26 school year receive bonuses in a pro-rated manner; and

27 (iv) During the 2009-10 and 2010-11 school years, and within the
28 available state and federal appropriations, certificated instructional
29 staff who have met the eligibility requirements and have applied for
30 certification from the national board for professional teaching
31 standards may receive a conditional two thousand dollars or the amount
32 set by the office of the superintendent of public instruction to
33 contribute toward the current assessment fee, not including the initial
34 up-front candidacy payment. The fee shall be an advance on the first
35 annual bonus under RCW 28A.405.415. The assessment fee for national
36 certification is provided in addition to compensation received under a
37 district's salary schedule adopted in accordance with RCW 28A.405.200
38 and shall not be included in calculations of a district's average

1 salary and associated salary limitation under RCW 28A.400.200.
2 Recipients who fail to receive certification after three years are
3 required to repay the assessment fee, not including the initial up-
4 front candidacy payment, as set by the national board for professional
5 teaching standards and administered by the office of the superintendent
6 of public instruction. The office of the superintendent of public
7 instruction shall adopt rules to define the terms for initial grant of
8 the assessment fee and repayment, including applicable fees.

9 (b) Included in the amounts provided in this subsection are amounts
10 for mandatory fringe benefits.

11 (22) (~~(\$2,750,000)~~) \$2,475,000 of the general fund--state
12 appropriation for fiscal year 2010 and (~~(\$2,750,000)~~) \$912,000 of the
13 general fund--state appropriation for fiscal year 2011 are provided
14 solely for secondary career and technical education grants pursuant to
15 chapter 170, Laws of 2008. This funding may additionally be used to
16 support FIRST Robotics programs. In fiscal year 2011, if equally
17 matched by private donations, \$300,000 of the appropriation shall be
18 used to support FIRST Robotics programs, including FIRST Robotics
19 professional development.

20 (23) \$150,000 of the general fund--state appropriation for fiscal
21 year 2011 is provided solely for the implementation of House Bill No.
22 2621 (K-12 school resource programs). If the bill is not enacted by
23 June 30, 2010, the amount provided in this subsection shall lapse.

24 (24) \$300,000 of the general fund--state appropriation for fiscal
25 year 2010 (~~and \$300,000 of the general fund--state appropriation for~~
26 ~~fiscal year 2011 are~~) is provided solely for the local farms-healthy
27 kids program as described in chapter 215, Laws of 2008. The program is
28 suspended in the 2011 fiscal year, and not eliminated.

29 (~~(+24)~~) (25) \$2,348,000 of the general fund--state appropriation
30 for fiscal year 2010 and (~~(\$2,348,000)~~) \$2,000,000 of the general
31 fund--state appropriation for fiscal year 2011 are (~~appropriated~~)
32 provided solely for a beginning educator support program. School
33 districts and/or regional consortia may apply for grant funding
34 beginning in the 2009-10 school year. The superintendent shall
35 implement this program in 5 to 15 school districts and/or regional
36 consortia. The program provided by a district and/or regional
37 consortia shall include: A paid orientation; assignment of a qualified
38 mentor; development of a professional growth plan for each beginning

1 teacher aligned with professional certification; release time for
2 mentors and new teachers to work together, and teacher observation time
3 with accomplished peers. \$250,000 may be used to provide state-wide
4 professional development opportunities for mentors and beginning
5 educators. The superintendent of public instruction shall adopt rules
6 to establish and operate a research-based beginning educator support
7 program no later than August 31, 2009. OSPI must evaluate the
8 program's progress and may contract for this work. A report to the
9 legislature about the beginning educator support program is due
10 November 1, 2010.

11 ~~((25) \$4,400,000))~~ (26) \$4,290,000 of the education legacy trust
12 account--state appropriation is provided solely for the development and
13 implementation of diagnostic assessments, consistent with the
14 recommendations of the Washington assessment of student learning work
15 group.

16 ~~((26) \$70,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely))~~ (27) Funding within this section is
18 provided for implementation of Engrossed Substitute Senate Bill No.
19 5414 (statewide assessments and curricula).

20 ~~((27))~~ (28) \$530,000 of the general fund--state appropriation for
21 fiscal year 2010 and \$530,000 of the general fund--state appropriation
22 for fiscal year 2011 are provided solely for the leadership internship
23 program for superintendents, principals, and program administrators.

24 (29) Funding for the community learning center program, established
25 in RCW 28A.215.060, and providing grant funding for the 21st century
26 after-school program, is suspended and not eliminated.

27 (30) \$2,357,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for implementation of Engrossed Second
29 Substitute Senate Bill No. 6696 (education reform). Of the amount
30 provided, \$142,000 is provided to the professional educators' standards
31 board and \$120,000 is provided to the system of the educational service
32 districts, to fulfill their respective duties under the bill.

33 **Sec. 514.** 2009 c 564 s 514 (uncodified) is amended to read as
34 follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
36 **BILINGUAL PROGRAMS**

37 General Fund--State Appropriation (FY 2010) ~~((\$77,994,000))~~

1		<u>\$76,419,000</u>
2	General Fund--State Appropriation (FY 2011)	((\$80,937,000))
3		<u>\$77,672,000</u>
4	General Fund--Federal Appropriation	((\$45,263,000))
5		<u>\$65,263,000</u>
6	TOTAL APPROPRIATION	((\$204,194,000))
7		<u>\$219,354,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) Each general fund fiscal year appropriation includes such funds
11 as are necessary to complete the school year ending in the fiscal year
12 and for prior fiscal year adjustments.

13 (2) The superintendent shall distribute a maximum of \$901.46 per
14 eligible bilingual student in the 2009-10 school year and \$901.46 in
15 the 2010-11 school year, exclusive of salary and benefit adjustments
16 provided in section 504 of this act.

17 (3) The superintendent may withhold up to 1.5 percent of the school
18 year allocations to school districts in subsection (2) of this section,
19 and adjust the per eligible pupil rates in subsection (2) of this
20 section accordingly, solely for the central provision of assessments as
21 provided in RCW 28A.180.090 (1) and (2).

22 (4) \$70,000 of the amounts appropriated in this section are
23 provided solely to track current and former transitional bilingual
24 program students.

25 (5) The general fund--federal appropriation in this section is
26 provided for migrant education under Title I Part C and English
27 language acquisition, and language enhancement grants under Title III
28 of the elementary and secondary education act.

29 **Sec. 515.** 2009 c 564 s 515 (uncodified) is amended to read as
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
32 **ASSISTANCE PROGRAM**

33	General Fund--State Appropriation (FY 2010)	((\$101,067,000))
34		<u>\$103,865,000</u>
35	General Fund--State Appropriation (FY 2011)	((\$102,237,000))
36		<u>\$110,312,000</u>
37	General Fund--Federal Appropriation	((\$543,925,000))

1 and must also have at least forty percent eligible for free or reduced
2 price lunch based on October headcount enrollment in grades
3 kindergarten through twelve in the prior school year.

4 (ii) Districts meeting the specifications in (d)(i) of this
5 subsection shall receive additional funded students for the learning
6 assistance program at the rates specified in subsection (1)(b) of this
7 section. The number of additional funded student units shall be
8 calculated by subtracting twenty percent from the district's percent
9 transitional bilingual instruction program enrollment as defined in
10 (d)(i) of this subsection, and the resulting percent shall be
11 multiplied by the district's kindergarten through twelve annual average
12 full-time equivalent enrollment for the prior school year.

13 (2) Allocations made pursuant to subsection (1) of this section
14 shall be adjusted to reflect ineligible applications identified through
15 the annual income verification process required by the national school
16 lunch program, as recommended in the report of the state auditor on the
17 learning assistance program dated February, 2010.

18 (3) The general fund--federal appropriation in this section is
19 provided for Title I Part A allocations of the no child left behind act
20 of 2001.

21 ((+3)) (4) A school district may carry over from one year to the
22 next up to 10 percent of the general fund--state or education legacy
23 trust funds allocated under this program; however, carryover funds
24 shall be expended for the learning assistance program.

25 ((+4)) (5) School districts are encouraged to coordinate the use
26 of these funds with other federal, state, and local sources to serve
27 students who are below grade level and to make efficient use of
28 resources in meeting the needs of students with the greatest academic
29 deficits.

30 ((+5)) (6) Within amounts appropriated in this section, funding is
31 provided for the implementation of extended learning programs required
32 in chapter 328, Laws of 2008.

33 ~~((+6) \$51,970,000 of the general fund--federal appropriation for~~
34 ~~fiscal year 2010 and \$77,955,000 of the general fund--federal~~
35 ~~appropriation for fiscal year 2011 of American recovery and~~
36 ~~reinvestment act of 2009 (ARRA) Title I, Part A funds are in addition~~
37 ~~to regular Title I, Part A allocations solely for allocation to~~
38 ~~eligible school districts in accordance with the guidelines of ARRA.~~

1 (d) To provide additional professional development for educators
2 including additional paid time for curriculum and lesson redesign and
3 alignment, training to ensure that instruction is aligned with state
4 standards and student needs, reimbursement for higher education costs
5 related to enhancing teaching skills and knowledge, and mentoring
6 programs to match teachers with skilled, master teachers. The funding
7 shall not be used for salary increases or additional compensation for
8 existing teaching duties, but may be used for extended year and
9 extended day teaching contracts;

10 (e) To provide early assistance for children who need
11 prekindergarten support in order to be successful in school; or

12 (f) To provide improvements or additions to school building
13 facilities which are directly related to the class size reductions and
14 extended learning opportunities under (a) through (c) of this
15 subsection (2).

16 (3) The superintendent of public instruction shall distribute the
17 school year allocation according to the monthly apportionment schedule
18 defined in RCW 28A.510.250.

19 (4) \$200,295,000 of the general fund--federal appropriation for
20 fiscal year 2010 is provided solely for American recovery and
21 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
22 state reductions for the student achievement program.

23 **Sec. 517.** 2009 c 564 s 518 (uncodified) is amended to read as
24 follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** (1) Appropriations
26 made in this act to the office of the superintendent of public
27 instruction shall initially be allotted as required by this act.
28 Subsequent allotment modifications shall not include transfers of
29 moneys between sections of this act, except as expressly provided in
30 subsection (2) of this section.

31 (2) The appropriations to the office of the superintendent of
32 public instruction in this act shall be expended for the programs and
33 amounts specified in this act. However, after May 1, 2010, unless
34 specifically prohibited by this act and after approval by the director
35 of financial management, the superintendent of public instruction may
36 transfer state general fund appropriations for fiscal year 2010 among
37 the following programs to meet the apportionment schedule for a

1 specified formula in another of these programs: General apportionment;
2 employee compensation adjustments; pupil transportation; special
3 education programs; institutional education programs; transitional
4 bilingual programs; and student achievement and learning assistance
5 programs.

6 (3) The director of financial management shall notify the
7 appropriate legislative fiscal committees in writing prior to approving
8 any allotment modifications or transfers under this section.

(End of part)

1 populations, linkages with university mathematics and science
2 departments, and implementation of redesigned, innovative endorsement
3 and certification programs. To accomplish this work, enrollments may
4 need to be shifted from low-need endorsement and certificate areas to
5 math and science. A report shall be made each October 30th to the HECB
6 and PESB regarding the degree to which plan goals have been met and
7 activities undertaken to support those outcomes.

8 (5) In accordance with RCW 28B.10.920 through 28B.10.922, the state
9 performance agreement committee and each public four-year institution
10 of higher education shall develop performance agreements for the period
11 September 1, 2009, through June 30, 2015. The agreements shall reflect
12 the level of state, tuition, and other resources appropriated or
13 authorized for each institution in this act and in the omnibus 2009-11
14 omnibus capital budget act, as well as reasonably anticipated changes
15 in such resources for the two subsequent biennia as required to
16 accomplish the higher education master plan as adopted by the
17 legislature. The agreements shall build upon each institution's actual
18 performance relative to the 2011 targets previously negotiated between
19 the institution, the higher education coordinating board, and the
20 office of financial management, and shall include measurable
21 performance targets, benchmarks, and goals in areas including but not
22 limited to:

- 23 (a) Student enrollment levels, by campus;
- 24 (b) Baccalaureate and advanced degree production;
- 25 (c) Baccalaureate and advanced degree production in high employer-
26 demand fields;
- 27 (d) Undergraduate retention and graduation rates;
- 28 (e) Time-to-degree for students entering as freshmen, and as upper-
29 division transfers;
- 30 (f) Efficiency to degree; and
- 31 (g) Capital investment as required to (i) maintain existing
32 capacity, and (ii) meet enrollment targets in accordance with the
33 master plan as adopted by the legislature.

34 Each institution shall report progress toward its performance targets
35 during the preceding academic year to the state performance agreement
36 committee prior to November 1, 2010. The higher education coordinating
37 board shall consolidate and summarize the institutional reports, and

1 provide them to the relevant policy and fiscal committees of the
2 legislature by December 1, 2010.

3 (6) To facilitate transparency and compliance with the American
4 recovery and reinvestment act, the institutions of higher education
5 receiving state and federal appropriations under sections 605 through
6 611 of this act shall allot anticipated state, federal, and tuition
7 expenditures by budget program and fiscal year. The office of
8 financial management shall notify the legislative ways and means
9 committees of the proposed allotments at least ten days prior to their
10 approval.

11 (7) To the extent permitted by the applicable personnel system
12 rules, and to the extent collectively bargained with represented
13 employees, institutions of higher education are encouraged to achieve
14 the reductions in full-time-equivalent employment and payroll levels
15 necessary to operate within this budget through strategies that will
16 minimize impacts on employees, their families, their communities, and
17 short- and longer-term accomplishment of institutional mission.
18 Institutions are encouraged to utilize strategies such as reduced work-
19 hours per day or week, voluntary leave without pay, and temporary
20 furloughs that enable employees to maintain permanent employment
21 status. Institutions are further encouraged to implement such
22 strategies in ways that will enable employees to maintain full
23 insurance benefits, full retirement service credit, and a living wage.

24 (8)(a) For institutions receiving appropriations in section 605 of
25 this act the only allowable salary increases provided are those with
26 normally occurring promotions and increases related to faculty and
27 staff retention, to the extent permitted by Engrossed Substitute Senate
28 Bill No. 5460, (~~and~~) House Bill No. 2328, and Substitute Senate Bill
29 No. 6382. In fiscal year 2010 and fiscal year 2011, the state board
30 for community and technical colleges may use salary and benefit savings
31 from faculty turnover to provide salary increments and associated
32 benefits for faculty who qualify through professional development and
33 training.

34 (b) For employees under the jurisdiction of chapter 41.56 RCW,
35 salary increases will be in accordance with the applicable collective
36 bargaining agreement. However, an increase shall not be provided to
37 any classified employee whose salary is above the approved salary range
38 maximum for the class to which the employee's position is allocated.

1 (c) For each institution of higher education receiving
2 appropriations under sections 606 through 611 of this act:

3 (i) The only allowable salary increases are those associated with
4 normally occurring promotions and increases related to faculty and
5 staff retention, to the extent permitted by Engrossed Substitute Senate
6 Bill No. 5460 (~~(and)~~), House Bill No. 2328, and Substitute Senate Bill
7 No. 6382; and

8 (ii) Institutions may provide salary increases from other sources
9 to instructional and research faculty, exempt professional staff,
10 teaching and research assistants, as classified by the office of
11 financial management, and all other nonclassified staff, but not
12 including employees under RCW 28B.16.015, to the extent permitted by
13 Engrossed Substitute Senate Bill No. 5460 (~~(and)~~), House Bill No. 2328,
14 and Substitute Senate Bill No. 6382. Any salary increase granted under
15 the authority of this subsection (8)(c)(ii) shall not be included in an
16 institution's salary base for future state funding. It is the intent
17 of the legislature that state general fund support for an institution
18 shall not increase during the current or any future biennium as a
19 result of any salary increases authorized under this subsection
20 (8)(c)(ii).

21 **Sec. 602.** 2009 c 564 s 602 (uncodified) is amended to read as
22 follows:

23 (1) Within the funds appropriated in this act, each institution of
24 higher education is expected to enroll and educate at least the
25 following numbers of full-time equivalent state-supported students per
26 academic year:

	2009-10	2010-11
	Annual Average	Annual Average
28 University of Washington	36,546	37,162
29 Washington State University	22,250	22,250
30 Central Washington University	((8,477)) <u>8,469</u>	((8,734)) <u>8,808</u>
31 Eastern Washington University	((8,469)) <u>8,477</u>	((8,808)) <u>8,734</u>
32 The Evergreen State College	4,213	4,213
33 Western Washington University	11,373	11,762

1	State Board for Community &		
2	Technical Colleges		
3	Adult Students	139,237	((139,237)) <u>143,046</u>
4	Running Start Students	11,558	11,558

5 (2) In achieving or exceeding these enrollment targets, each
6 institution shall seek to:

7 (a) Maintain and to the extent possible increase enrollment
8 opportunities at branch campuses;

9 (b) Maintain and to the extent possible increase enrollment
10 opportunities at university centers and other partnership programs that
11 enable students to earn baccalaureate degrees on community college
12 campuses; and

13 (c) Eliminate and consolidate programs of study for which there is
14 limited student or employer demand, or that are not areas of core
15 academic strength for the institution, particularly when such programs
16 duplicate offerings by other in-state institutions.

17 (3) By September 1, 2009, each institution shall report to the
18 higher education committees and the relevant fiscal committees of the
19 legislature on its plans for achieving the objectives in this section.

20 (4) For purposes of monitoring and reporting statewide enrollment,
21 the University of Washington and Washington State University shall
22 notify the office of financial management of the number of full-time
23 student equivalent enrollments budgeted for each of their campuses.

24 **Sec. 603.** 2009 c 564 s 605 (uncodified) is amended to read as
25 follows:

26 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

27	General Fund--State Appropriation (FY 2010)	((\$620,071,000))
28		<u>\$631,804,000</u>
29	General Fund--State Appropriation (FY 2011)	((\$642,509,000))
30		<u>\$629,745,000</u>
31	General Fund--Federal Appropriation	\$17,171,000
32	Education Legacy Trust Account--State	
33	Appropriation	((\$95,125,000))
34		<u>\$95,035,000</u>
35	<u>Opportunity Express Account--State Appropriation</u>	<u>\$18,556,000</u>
36	TOTAL APPROPRIATION	((\$1,374,876,000))

The appropriations in this section are subject to the following conditions and limitations:

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2010 (~~and~~), \$28,761,000 of the general fund--state appropriation for fiscal year 2011, and \$17,556,000 of the opportunity express account--state appropriation are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2010 and at least (~~6,200~~) 9,984 full-time equivalent students in fiscal year 2011.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2010 and \$2,725,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) Of the amounts appropriated in this section, \$3,500,000 is provided solely for the student achievement initiative.

(4) When implementing the appropriations in this section, the state board and the trustees of the individual community and technical colleges shall minimize impact on academic programs, maximize reductions in administration, and shall at least maintain, and endeavor to increase, enrollment opportunities and degree and certificate production in high employer-demand fields of study at their academic year 2008-09 levels.

(5) Within the board's 2009-11 biennial budget allocation to Bellevue College, and pursuant to RCW 28B.50.810, the college may implement, on a tuition and fee basis, an additional applied baccalaureate degree in interior design. This program is intended to provide students with additional opportunities to earn baccalaureate degrees and to respond to emerging job and economic growth opportunities. The program reviews and approval decisions required by

1 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
2 the degree may be offered during the 2009-10 academic year.

3 (6) In accordance with the recommendations of the higher education
4 coordinating board's 2008 *Kitsap region higher education center study*,
5 the state board shall facilitate development of university centers by
6 allocating thirty 2-year and 4-year partnership full-time enrollment
7 equivalencies to Olympic College and ten 2-year and 4-year partnership
8 full-time enrollment equivalencies to Peninsula College. The colleges
9 shall use the allocations to establish a partnership with a
10 baccalaureate university or universities for delivery of upper division
11 degree programs in the Kitsap region. The Olympic and Peninsula
12 Community College districts shall additionally work together to ensure
13 coordinated development of these and other future baccalaureate
14 opportunities through coordinated needs assessment, planning, and
15 scheduling.

16 (7) By September 1, 2009, the state board for community and
17 technical colleges, the higher education coordinating board, and the
18 office of financial management shall review and to the extent necessary
19 revise current 2009-11 performance measures and targets based on the
20 level of state, tuition, and other resources appropriated or authorized
21 in this act and in the omnibus 2009-11 omnibus capital budget act. The
22 boards and the office of financial management shall additionally
23 develop new performance targets for the 2011-13 and the 2013-15 biennia
24 that will guide and measure the community and technical college
25 system's contributions to achievement of the state's higher education
26 master plan goals.

27 (8) \$2,250,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$2,250,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for the hospital employee
30 education and training program under which labor, management, and
31 college partnerships develop or expand and evaluate training programs
32 for incumbent hospital workers that lead to careers in nursing and
33 other high-demand health care occupations. The board shall report
34 student progress, outcomes, and costs to the relevant fiscal and policy
35 committees of the legislature by November 2009 and November 2010.

36 (9) Community and technical colleges are not required to send mass
37 mailings of course catalogs to residents of their districts. Community

1 and technical colleges shall consider lower cost alternatives, such as
2 mailing postcards or brochures that direct individuals to online
3 information and other ways of acquiring print catalogs.

4 (10) \$1,112,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,113,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the state board to enhance
7 online distance learning and open courseware technology. Funds shall
8 be used to support open courseware, open textbooks, open licenses to
9 increase access, affordability and quality of courses in higher
10 education. The state board for community and technical colleges shall
11 select the most appropriate courses to support open courseware based
12 solely upon criteria of maximizing the value of instruction and
13 reducing costs of textbooks and other instructional materials for the
14 greatest number of students in higher education, regardless of the type
15 of institution those students attend.

16 (11) \$158,000 of the general fund--state appropriation for fiscal
17 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
18 nursing/university center). If the bill is not enacted by June 30,
19 2010, the amount provided in this subsection shall lapse.

20 (12)(a) The labor education and research center is transferred from
21 The Evergreen State College to south Seattle community college and
22 shall begin operations on July 1, 2010.

23 (b) At least \$164,000 of the general fund--state appropriation for
24 fiscal year 2011 shall be expended on the labor education and research
25 center to provide outreach programs and direct educational and research
26 services to labor unions and worker-centered organizations.

27 (13) \$1,000,000 of the opportunity express account--state
28 appropriation is provided solely for the opportunity grant program as
29 specified in RCW 28B.50.271.

30 (14) \$1,750,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for the state board for community and
32 technical colleges to contract with the aerospace training and research
33 center on Paine field in Everett, Washington to support industry-
34 identified training in the aerospace sector.

35 (15) Sufficient amounts are provided in this section to implement
36 the food stamp employment and training program under Second Substitute
37 House Bill No. 2782 (security lifeline act).

1 (4) \$150,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for the William D. Ruckelshaus center for
3 facilitation, support, and analysis to support the nurse staffing
4 steering committee in its work to apply best practices related to
5 patient safety and nurse staffing.

6 (5) \$54,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$54,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for the University of Washington
9 geriatric education center to provide a voluntary adult family home
10 certification program. In addition to the minimum qualifications
11 required under RCW 70.128.120, individuals participating in the
12 voluntary adult family home certification program shall complete fifty-
13 two hours of class requirements as established by the University of
14 Washington geriatric education center. Individuals completing the
15 requirements of RCW 70.128.120 and the voluntary adult family home
16 certification program shall be issued a certified adult family home
17 license by the department of social and health services. The
18 department of social and health services shall adopt rules implementing
19 the provisions of this subsection.

20 (6) \$50,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$52,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for the center for international
23 trade in forest products in the college of forest resources.

24 (7)(a) \$183,000 of the general fund--state appropriation for fiscal
25 year 2011 is for the technology law and public policy clinic at the
26 University of Washington school of law to prepare a comprehensive
27 report identifying and analyzing trends in the telecommunications
28 industry and pathways for telecommunications regulatory reform. The
29 report must include, but not be limited to, a review of the following
30 issues: (i) The taxation treatment of all telecommunications services
31 that provide the same or functionally equivalent services; (ii) the
32 character and degree of competition in the telecommunications market;
33 (iii) the regulatory, legal, and economic barriers to adequate
34 competition, actual or perceived, that exist; (iv) what changes could
35 be made in policy, law, or administrative rule to address any actual or
36 perceived barriers to competition; and (v) the role of the utilities
37 and transportation commission in the oversight and regulation of
38 telecommunications services.

1 (b) The technology law and public policy clinic shall consult with
2 local governments, public utility districts, telecommunications service
3 providers, the utilities and transportation commission, the department
4 of revenue, and other stakeholders in preparing its analysis and
5 report.

6 (c) By December 1, 2011, the technology law and public policy
7 clinic shall issue a report to the legislature with recommendations on
8 legislative action that may be necessary in order to effectuate
9 telecommunications regulatory reform in Washington.

10 (8) \$250,000 of the general fund--state appropriation for fiscal
11 year 2011 is provided solely for joint planning to increase the number
12 of residency positions and programs in eastern Washington and Spokane
13 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)
14 regional medical education program partnership between the University
15 of Washington school of medicine, Washington State University, and area
16 physicians and hospitals. The joint planning efforts are to include
17 preparation of applications for new residency programs in family
18 medicine, internal medicine, obstetrics, psychiatry and general
19 surgery; business plans for those new programs; and for increasing the
20 number of positions in existing programs among regional academic and
21 hospital partners and networks. The results of the joint planning
22 efforts, including the status of the application preparation and
23 business plan, must be reported to the house of representatives
24 committee on higher education and the senate committee on higher
25 education and workforce development by December 1, 2010.

26 (9) \$25,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for implementation of chapter 164, Laws of
28 2010 (local government infrastructure). The University of Washington
29 shall use a qualified researcher to report the percentage probability
30 that the application's assumptions and estimates of jobs created and
31 increased tax receipts will be achieved by the projects. In making
32 this report, the qualified researcher shall work with the department of
33 revenue and the applicants to develop a series of factors that are
34 based on available economic metrics and sound principles.

35 **Sec. 605.** 2009 c 564 s 607 (uncodified) is amended to read as
36 follows:

1 **FOR WASHINGTON STATE UNIVERSITY**

2	General Fund--State Appropriation (FY 2010)	((\$178,578,000))
3		<u>\$169,462,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$196,163,000))
5		<u>\$178,283,000</u>
6	General Fund--Federal Appropriation . . . . .	.\$15,772,000
7	Education Legacy Trust Account--State	
8	Appropriation	((\$34,696,000))
9		<u>\$34,435,000</u>
10	TOTAL APPROPRIATION	((\$425,209,000))
11		<u>\$397,952,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) In implementing the appropriations in this section, the
15 president and regents shall seek to minimize impacts on student
16 services and instructional programs by maximizing reductions in
17 administration and other non-instructional activities.

18 (2) Because higher education is an essential driver of economic
19 recovery and development, the university shall maintain, and endeavor
20 to increase, enrollment and degree production levels at or beyond their
21 academic year 2008-09 levels in the following high-demand fields:
22 Biological and biomedical sciences; computer and information sciences;
23 education with specializations in special education, math, or science;
24 engineering and engineering technology; health professions and related
25 clinical sciences; and mathematics and statistics.

26 (3) When implementing reductions for fiscal year 2010 and fiscal
27 year 2011, Washington State University shall minimize reductions to
28 extension services and agriculture extension services. Agriculture
29 extension includes:

30 (a) Faculty with extension appointments working within the
31 following departments in the college of agricultural, human, and
32 natural resource sciences with extension appointments: Animal
33 sciences, crop and soil sciences, entomology, horticulture, and plant
34 pathology;

35 (b) The portion of county extension educators' appointments
36 assigned to the "agricultural programs" area;

37 (c) Staff with extension appointments and extension operating
38 allocations located at the irrigated agriculture research and extension

1 center (Prosser), northwest Washington research and extension center
2 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
3 and

4 (d) Extension contributions to the center for precision
5 agricultural systems, center for sustaining agriculture and natural
6 resources, and the agriculture weather network.

7 (4) \$75,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$75,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for research related to honeybee
10 colony collapse disease.

11 (5) \$100,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for the small business development center.
13 The center must, consistent with the scope, goals, deliverables, and
14 timeline of work specified in the annual cooperative agreement with the
15 United States small business administration:

16 (a) Develop and maintain a state comprehensive plan for the
17 coordination and integration of small business and entrepreneurial
18 development programs and the operations of a statewide small business
19 and entrepreneurial development system. The plan must include but not
20 be limited to setting measurable goals, objectives, and priorities;

21 (b) Advocate for the state's small business and entrepreneurial
22 development system and for meeting the needs of small start-ups and
23 existing entrepreneurs;

24 (c) Work with private and public entrepreneurial development and
25 small business assistance providers to develop entrepreneurial training
26 and small business assistance instructional materials and curricula
27 that meet the particular entrepreneurial development and small business
28 assistance needs of rural and low-income communities and small
29 manufacturers interested in exporting; and

30 (d) Identify policies to reduce administrative and other barriers
31 to efficient delivery and coordination of small business and
32 entrepreneurial assistance.

33 **Sec. 606.** 2009 c 564 s 608 (uncodified) is amended to read as
34 follows:

35 **FOR EASTERN WASHINGTON UNIVERSITY**

36 General Fund--State Appropriation (FY 2010)	(\$34,685,000)
37	<u>\$34,689,000</u>

1	General Fund--State Appropriation (FY 2011)	((\$40,796,000))
2		<u>\$36,666,000</u>
3	General Fund--Federal Appropriation	\$5,522,000
4	Education Legacy Trust Account--State	
5	Appropriation	((\$16,087,000))
6		<u>\$16,041,000</u>
7	TOTAL APPROPRIATION	((\$97,090,000))
8		<u>\$92,918,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) In implementing the appropriations in this section, the
12 president and governing board shall seek to minimize impacts on student
13 services and instructional programs by maximizing reductions in
14 administration and other non-instructional activities.

15 (2) Because higher education is an essential driver of economic
16 recovery and development, the university shall maintain, and endeavor
17 to increase, enrollment and degree production levels at or beyond their
18 academic year 2008-09 levels in the following high-demand fields:
19 Biological and biomedical sciences; computer and information sciences;
20 education with specializations in special education, math, or science;
21 engineering and engineering technology; health professions and related
22 clinical sciences; and mathematics and statistics.

23 (3) At least \$200,000 of the general fund--state appropriation for
24 fiscal year 2010 and at least \$200,000 of the general fund--state
25 appropriation for fiscal year 2011 shall be expended on the northwest
26 autism center.

27 **Sec. 607.** 2009 c 564 s 609 (uncodified) is amended to read as
28 follows:

29 **FOR CENTRAL WASHINGTON UNIVERSITY**

30	General Fund--State Appropriation (FY 2010)	((\$30,284,000))
31		<u>\$30,289,000</u>
32	General Fund--State Appropriation (FY 2011)	((\$37,580,000))
33		<u>\$33,803,000</u>
34	General Fund--Federal Appropriation	\$6,975,000
35	Education Legacy Trust Account--State	
36	Appropriation	((\$19,076,000))
37		<u>\$19,012,000</u>

1 TOTAL APPROPRIATION ((~~\$93,915,000~~))
2 \$90,079,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) In implementing the appropriations in this section, the
6 president and governing board shall seek to minimize impacts on student
7 services and instructional programs by maximizing reductions in
8 administration and other non-instructional activities.

9 (2) Because higher education is an essential driver of economic
10 recovery and development, the university shall maintain, and endeavor
11 to increase, enrollment and degree production levels at or beyond their
12 academic year 2008-09 levels in the following high-demand fields:
13 Biological and biomedical sciences; computer and information sciences;
14 education with specializations in special education, math, or science;
15 engineering and engineering technology; health professions and related
16 clinical sciences; and mathematics and statistics.

17 **Sec. 608.** 2009 c 564 s 610 (uncodified) is amended to read as
18 follows:

19 **FOR THE EVERGREEN STATE COLLEGE**

20 General Fund--State Appropriation (FY 2010) ((~~\$20,512,000~~))
21 \$20,514,000
22 General Fund--State Appropriation (FY 2011) ((~~\$22,865,000~~))
23 \$18,505,000
24 General Fund--Federal Appropriation \$2,366,000
25 Education Legacy Trust Account--State Appropriation . . ((~~\$5,450,000~~))
26 \$5,417,000
27 TOTAL APPROPRIATION ((~~\$51,193,000~~))
28 \$46,802,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) In implementing the appropriations in this section, the
32 president and governing board shall seek to minimize impacts on student
33 services and instructional programs by maximizing reductions in
34 administration and other non-instructional activities.

35 (2) Because higher education is an essential driver of economic
36 recovery and development, the college shall maintain, and endeavor to
37 increase, enrollment and degree production levels at or beyond their

1 academic year 2008-09 levels in the following high-demand fields:
2 Biological and biomedical sciences; computer and information sciences;
3 education with specializations in special education, math, or science;
4 engineering and engineering technology; health professions and related
5 clinical sciences; and mathematics and statistics.

6 (3)(a) At least \$100,000 of the general fund--state appropriation
7 for fiscal year 2010 (~~(and at least \$100,000 of the general fund--state~~
8 ~~appropriation for fiscal year 2011))~~) shall be expended on the labor
9 education and research center.

10 (b) In fiscal year 2011 the labor education and research center
11 shall be transferred from The Evergreen State College to south Seattle
12 community college.

13 (4) \$100,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$100,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the Washington state institute
16 for public policy to report to the legislature regarding efficient and
17 effective programs and policies. The report shall calculate the return
18 on investment to taxpayers from evidence-based prevention and
19 intervention programs and policies that influence crime, K-12 education
20 outcomes, child maltreatment, substance abuse, mental health, public
21 health, public assistance, employment, and housing. The institute for
22 public policy shall provide the legislature with a comprehensive list
23 of programs and policies that improve these outcomes for children and
24 adults in Washington and result in more cost-efficient use of public
25 resources. The institute shall submit interim reports by December 15,
26 2009, and October 1, 2010, and a final report by June 30, 2011. The
27 institute may receive additional funds from a private organization for
28 the purpose of conducting this study.

29 (5) To the extent federal or private funding is available for this
30 purpose, the Washington state institute for public policy and the
31 center for reinventing public education at the University of Washington
32 shall examine the relationship between participation in pension systems
33 and teacher quality and mobility patterns in the state. The department
34 of retirement systems shall facilitate researchers' access to necessary
35 individual-level data necessary to effectively conduct the study. The
36 researchers shall ensure that no individually identifiable information
37 will be disclosed at any time. An interim report on project findings

1 shall be completed by November 15, 2010, and a final report shall be
2 submitted to the governor and to the relevant committees of the
3 legislature by October 15, 2011.

4 (6) At least \$200,000 of the general fund--state appropriation for
5 fiscal year 2010 and at least \$200,000 of the general fund--state
6 appropriation for fiscal year 2011 shall be expended on the Washington
7 center for undergraduate education.

8 (7) \$15,000 of the general fund--state appropriation for fiscal
9 year 2010 is provided solely for the Washington state institute for
10 public policy to examine the need for and methods to increase the
11 availability of nonfood items, such as personal hygiene supplies,
12 soaps, paper products, and other items, to needy persons in the state.
13 The study shall examine existing private and public programs that
14 provide such products, and develop recommendations for the most cost-
15 effective incentives for private and public agencies to increase local
16 distribution outlets and local and regional networks of supplies. A
17 final report shall be delivered to the legislature and the governor by
18 December 1, 2009.

19 (8) \$17,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$42,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided to the Washington state institute for
22 public policy to implement Second Substitute House Bill No. 2106 (child
23 welfare outcomes). If the bill is not enacted by June 30, 2009, the
24 amounts provided in this subsection shall lapse.

25 (9) \$54,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$23,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely to implement Substitute Senate
28 Bill No. 5882 (racial disproportionality). If the bill is not enacted
29 by June 30, 2009, the amounts provided in this subsection shall lapse.

30 (10) \$75,000 of the general fund--state appropriation for fiscal
31 year 2010 is provided solely for the Washington state institute of
32 public policy to evaluate the adequacy of and access to financial aid
33 and independent living programs for youth in foster care. The
34 examination shall include opportunities to improve efficiencies within
35 these programs. The institute shall report its findings by December 1,
36 2009.

37 (11) \$75,000 of the general fund--state appropriation for fiscal
38 year 2010 is provided solely for the Washington state institute for

1 public policy to conduct an assessment of the general assistance
2 unemployable program and other similar programs. The assessment shall
3 include a review of programs in other states that provide similar
4 services and will include recommendations on promising approaches that
5 both improve client outcomes and reduce state costs. A report is due
6 by December 1, 2009.

7 (12) To the extent funds are available, the Washington state
8 institute for public policy is encouraged to continue the longitudinal
9 analysis of long-term mental health outcomes directed in chapter 334,
10 Laws of 2001 (mental health performance audit), to build upon the
11 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
12 offenders); and to assess program outcomes and cost effectiveness of
13 the children's mental health pilot projects as required by chapter 372,
14 Laws of 2006.

15 (13) \$50,000 of the general fund--state appropriation for fiscal
16 year 2011 is provided solely for the institute for public policy to
17 provide research support to the council on quality education.

18 (14) At least \$119,207 of the general fund--state appropriation for
19 fiscal year 2011 shall be expended on the longhouse center.

20 (15) At least \$103,146 of the general fund--state appropriation for
21 fiscal year 2011 shall be expended on the Northwest Indian applied
22 research institute.

23 **Sec. 609.** 2009 c 564 s 611 (uncodified) is amended to read as
24 follows:

25 **FOR WESTERN WASHINGTON UNIVERSITY**

26 General Fund--State Appropriation (FY 2010)	((\$43,141,000))
	<u>\$43,146,000</u>
28 General Fund--State Appropriation (FY 2011)	((\$52,752,000))
	<u>\$48,391,000</u>
30 General Fund--Federal Appropriation	\$8,885,000
31 Education Legacy Trust Account--State	
32 Appropriation	((\$13,036,000))
	<u>\$12,917,000</u>
34 TOTAL APPROPRIATION	((\$117,814,000))
	<u>\$113,339,000</u>

36 The appropriations in this section are subject to the following
37 conditions and limitations:

1 (1) In implementing the appropriations in this section, the
2 president and governing board shall seek to minimize impacts on student
3 services and instructional programs by maximizing reductions in
4 administration and other non-instructional activities.

5 (2) Because higher education is an essential driver of economic
6 recovery and development, the university shall maintain, and endeavor
7 to increase, enrollment and degree production levels at or beyond their
8 academic year 2008-09 levels in the following high-demand fields:
9 Biological and biomedical sciences; computer and information sciences;
10 education with specializations in special education, math, or science;
11 engineering and engineering technology; health professions and related
12 clinical sciences; and mathematics and statistics.

13 **Sec. 610.** 2009 c 564 s 612 (uncodified) is amended to read as
14 follows:

15 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
16 **ADMINISTRATION**

17	General Fund--State Appropriation (FY 2010)	((\$6,611,000))
18		<u>\$6,402,000</u>
19	General Fund--State Appropriation (FY 2011)	((\$6,203,000))
20		<u>\$5,561,000</u>
21	General Fund--Federal Appropriation	((\$4,352,000))
22		<u>\$4,332,000</u>
23	TOTAL APPROPRIATION	((\$17,166,000))
24		<u>\$16,295,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) Within the funds appropriated in this section, the higher
28 education coordinating board shall complete a system design planning
29 project that defines how the current higher education delivery system
30 can be shaped and expanded over the next ten years to best meet the
31 needs of Washington citizens and businesses for high quality and
32 accessible post-secondary education. The board shall propose policies
33 and specific, fiscally feasible implementation recommendations to
34 accomplish the goals established in the *2008 strategic master plan for*
35 *higher education*. The project shall specifically address the roles,
36 missions, and instructional delivery systems both of the existing and
37 of proposed new components of the higher education system; the extent

1 to which specific academic programs should be expanded, consolidated,
2 or discontinued and how that would be accomplished; the utilization of
3 innovative instructional delivery systems and pedagogies to reach both
4 traditional and nontraditional students; and opportunities to
5 consolidate institutional administrative functions. The study
6 recommendations shall also address the proposed location, role,
7 mission, academic program, and governance of any recommended new
8 campus, institution, or university center. During the planning
9 process, the board shall inform and actively involve the chairs from
10 the senate and house of representatives committees on higher education,
11 or their designees. The board shall report the findings and
12 recommendations of this system design planning project to the governor
13 and the appropriate committees of the legislature by December 1, 2009.

14 (2) \$146,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$65,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the higher education
17 coordinating board to administer Engrossed Second Substitute House Bill
18 No. 2021 (revitalizing student financial aid). If the bill is not
19 enacted by June 30, 2009, the amounts provided in this subsection shall
20 lapse.

21 (3) (~~(\$227,000)~~) \$167,000 of the general fund--state appropriation
22 for fiscal year 2010 and (~~(\$11,000)~~) \$71,000 of the general fund--state
23 appropriation for fiscal year 2011 are provided solely to implement
24 Engrossed Second Substitute House Bill No. 1946 (regarding higher
25 education online technology). If the bill is not enacted by June 30,
26 2009, the amounts provided in this subsection shall lapse.

27 (4) (~~(\$400,000)~~) \$350,000 of the general fund--state appropriation
28 for fiscal year 2010 and (~~(\$400,000)~~) \$200,000 of the general fund--
29 state appropriation for fiscal year 2011 are provided solely for the
30 higher education coordinating board to contract with the Pacific
31 Northwest university of health sciences to conduct training and
32 education of health care professionals to promote osteopathic physician
33 services in rural and underserved areas of the state.

34 **Sec. 611.** 2009 c 564 s 613 (uncodified) is amended to read as
35 follows:

36 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**

1 shall be prorated at the following percentages of the award amount
2 granted to those with incomes below 51 percent of the MFI: 70 percent
3 for students with family incomes between 51 and 55 percent MFI; 65
4 percent for students with family incomes between 56 and 60 percent MFI;
5 60 percent for students with family incomes between 61 and 65 percent
6 MFI; and 50 percent for students with family incomes between 66 and 70
7 percent MFI.

8 (b) Grant awards for students at private four-year colleges shall
9 be set at the same level as the student would receive if attending one
10 of the public research universities.

11 ~~((\$1,000,000 of the education legacy trust account state~~
12 ~~appropriation is provided solely to encourage more students to teach~~
13 ~~secondary mathematics and science. \$500,000 of this amount is for the~~
14 ~~future teacher scholarship and conditional loan program. \$500,000 of~~
15 ~~this amount is provided to support state work study positions for~~
16 ~~students to intern in secondary schools and classrooms.)) To the
17 maximum extent practicable, the board shall provide state work study
18 subsidies only to resident students during the 2010-11 academic year.
19 Additionally, in order to provide work opportunities to as many
20 resident students as possible, the board is encouraged to increase the
21 proportion of student wages that is to be paid by both proprietary and
22 nonprofit, public, and private employers.~~

23 (4) \$3,872,000 of the education legacy trust account--state
24 appropriation is provided solely for the passport to college
25 scholarship program pursuant to chapter 28B.117 RCW. The higher
26 education coordinating board shall contract with a college scholarship
27 organization with expertise in managing scholarships for low-income,
28 high-potential students and foster care children and young adults to
29 administer the program. Of the amount in this subsection, \$39,000 is
30 provided solely for the higher education coordinating board for
31 administration of the contract and the remaining shall be contracted
32 out to the organization for the following purposes:

- 33 (a) \$384,000 is provided solely for program administration, and
34 (b) \$3,449,000 is provided solely for student financial aid for up
35 to 151 students and to fund student support services. Funds are
36 provided for student scholarships, provider training, and for incentive
37 payments to the colleges they attend for individualized student support
38 services which may include, but are not limited to, college and career

1 advising, counseling, tutoring, costs incurred for students while
2 school is not in session, personal expenses, health insurance, and
3 emergency services.

4 (5) \$1,250,000 of the general fund--state appropriation for fiscal
5 year 2010 (~~and \$1,250,000 of the general fund--state appropriation for~~
6 ~~fiscal year 2011 are~~) is provided solely for the health professional
7 scholarship and loan program. The funds provided in this subsection
8 shall be: (a) Prioritized for health care deliver sites demonstrating
9 a commitment to serving the uninsured; and (b) allocated between loan
10 repayments and scholarships proportional to current program
11 allocations.

12 (6) For fiscal year 2010 and fiscal year 2011, the board shall
13 defer loan or conditional scholarship repayments to the future teachers
14 conditional scholarship and loan repayment program for up to one year
15 for each participant if the participant has shown evidence of efforts
16 to find a teaching job but has been unable to secure a teaching job per
17 the requirements of the program.

18 (7) \$246,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$246,000 of the general fund--state appropriation for
20 fiscal year 2011 are for community scholarship matching grants and its
21 administration. To be eligible for the matching grant, nonprofit
22 groups organized under section 501(c)(3) of the federal internal
23 revenue code must demonstrate they have raised at least \$2,000 in new
24 moneys for college scholarships after the effective date of this
25 section. Groups may receive no more than one \$2,000 matching grant per
26 year and preference shall be given to groups affiliated with
27 scholarship America. Up to a total of \$46,000 per year of the amount
28 appropriated in this section may be awarded to a nonprofit community
29 organization to administer scholarship matching grants, with preference
30 given to an organization affiliated with scholarship America.

31 (8) \$500,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$500,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for state need grants provided to
34 students enrolled in three to five credit-bearing quarter credits, or
35 the equivalent semester credits. Total state expenditures on this
36 program shall not exceed the amounts provided in this subsection.

37 (9) (~~(\$3,000,000)~~) \$2,500,000 of the education legacy trust

1 account--state appropriation is provided solely for the gaining early
2 awareness and readiness for undergraduate programs project.

3 (10) \$75,000 of the general fund--state appropriation for fiscal
4 year 2010 (~~((and \$75,000 of the general fund--state appropriation for~~
5 ~~fiscal year 2011 are))~~) is provided solely for higher education student
6 child care matching grants under chapter 28B.135 RCW.

7 (11) \$200,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for continuation of the leadership 1000
9 scholarship sponsorship and matching program.

10 (12) In 2010 and 2011, the board shall continue to designate
11 Washington scholars and scholar-alternates and to recognize them at
12 award ceremonies as provided in RCW 28A.600.150, but state funding is
13 provided for award of only one scholarship per legislative district
14 during the 2010-11 academic year. After the 2010-11 academic year, and
15 as provided in RCW 28B.76.660, the board may distribute grants to these
16 eligible students to the extent that funds are appropriated for this
17 purpose.

18 **Sec. 612.** 2009 c 564 s 614 (uncodified) is amended to read as
19 follows:

20 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

21	General Fund--State Appropriation (FY 2010)	((\$1,587,000))
22		<u>\$1,465,000</u>
23	General Fund--State Appropriation (FY 2011)	((\$1,556,000))
24		<u>\$1,444,000</u>
25	General Fund--Federal Appropriation	((\$54,262,000))
26		<u>\$54,020,000</u>
27	TOTAL APPROPRIATION	((\$57,405,000))
28		<u>\$56,929,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations: (~~(+2)~~)

31 (1) \$60,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$60,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for implementation of Engrossed
34 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
35 bill is not enacted by June 30, 2009, the amounts provided in this
36 subsection shall lapse.

1 (1) (~~(\$55,696,000)~~) \$54,878,000 of the general fund--state
2 appropriation for fiscal year 2010 and (~~(\$55,696,000)~~) \$14,685,000 of
3 the general fund--state appropriation for fiscal year 2011, and
4 \$40,000,000 of the opportunity pathways account appropriation are
5 provided solely for early childhood education and assistance program
6 services. This appropriation temporarily reduces the number of slots
7 for the 2009-11 fiscal biennium for the early childhood education and
8 assistance program. The department shall reduce slots where providers
9 serve both federal headstart and early childhood education and
10 assistance program children, to the greatest extent possible, in order
11 to achieve no reduction of slots across the state. The amounts in this
12 subsection also reflect reductions to the administrative expenditures
13 for the early childhood education and assistance program. The
14 department shall reduce administrative expenditures, to the greatest
15 extent possible, prior to reducing early childhood education and
16 assistance program slots. Of these amounts, \$10,284,000 is a portion
17 of the biennial amount of state matching dollars required to receive
18 federal child care and development fund grant dollars.

19 (2) \$1,000,000 of the general fund--federal appropriation is
20 provided to the department to contract with Thrive by Five, Washington
21 for a pilot project for a quality rating and improvement system to
22 provide parents with information they need to choose quality child care
23 and education programs and to improve the quality of early care and
24 education programs. The department in collaboration with Thrive by
25 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
26 and Kitsap counties. The department shall use child care development
27 fund quality money for this purpose.

28 (3) \$425,000 of the general fund--state appropriation for fiscal
29 year 2010, (~~(\$425,000)~~) \$213,000 of the general fund--state
30 appropriation for fiscal year 2011, and \$850,000 of the general fund--
31 federal appropriation are provided solely for child care resource and
32 referral network services. The general fund--federal funding
33 represents moneys from the American recovery and reinvestment act of
34 2009 (child care development block grant).

35 (4) \$750,000 of the general fund--state appropriation for fiscal
36 year 2010, \$750,000 of the general fund--state appropriation for fiscal
37 year 2011, and \$1,500,000 of the general fund--federal appropriation
38 are provided solely for the career and wage ladder program created by

1 chapter 507, Laws of 2005. The general fund--federal funding
2 represents moneys from the American recovery and reinvestment act of
3 2009 (child care development block grant).

4 (5) \$50,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$50,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the department to work with
7 stakeholders and the office of the superintendent of public instruction
8 to identify and test a kindergarten assessment process and tools in
9 geographically diverse school districts. School districts may
10 participate in testing the kindergarten assessment process on a
11 voluntary basis. The department shall report to the legislature on the
12 kindergarten assessment process not later than January 15, 2011.
13 Expenditure of amounts provided in this subsection is contingent on
14 receipt of an equal match from private sources. As matching funds are
15 made available, the department may expend the amounts provided in this
16 subsection.

17 (6) \$1,600,000 of the general fund--federal appropriation is
18 provided solely for the department to fund programs to improve the
19 quality of infant and toddler child care through training, technical
20 assistance, and child care consultation.

21 (7) \$200,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$200,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely to develop and provide culturally
24 relevant supports for parents, family, and other caregivers.

25 (8) The legislature notes that the department of early learning is
26 developing a plan for improving child care licensing and is consulting,
27 as practicable, with parents, licensed child care providers, and
28 stakeholders from the child care community. The plan shall outline the
29 processes and specify the resources necessary for improvements such as
30 continuing licenses, child care licensing technology, and weighted
31 child care regulations, including development of risk-based decision
32 making models and inclusive, evidence-based rule making. The
33 department shall submit to the appropriate committees of the
34 legislature a plan by January 15, 2011.

35 (9) The department is the lead agency for and recipient of the
36 federal child care and development fund grant. Amounts within this
37 grant shall be used to fund child care licensing, quality initiatives,
38 agency administration, and other costs associated with child care

1 subsidies. The department shall transfer a portion of this grant to
2 the department of social and health services to partially fund the
3 child care subsidies paid by the department of social and health
4 services on behalf of the department of early learning.

5 (10) The department shall use child care development fund money to
6 satisfy the federal audit requirement of the improper payments act
7 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
8 on the audits will not count against the five percent state limit on
9 administrative expenditures.

10 (11) Within available amounts, the department in consultation with
11 the office of financial management and the department of social and
12 health services shall report quarterly enrollments and active caseload
13 for the working connections child care program to the legislative
14 fiscal committees. The report shall also identify the number of cases
15 participating in both temporary assistance for needy families and
16 working connections child care.

17 (12) The appropriations in this section reflect reductions in the
18 appropriations for the department's administrative expenses. It is the
19 intent of the legislature that these reductions shall be achieved, to
20 the greatest extent possible, by reducing those administrative costs
21 that do not affect direct client services or direct service delivery or
22 program.

23 (13) \$500,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely for the department to contract with the
25 private-public partnership established in chapter 43.215 RCW for home
26 visitation programs. Of this amount, \$200,000 of the general fund--
27 state appropriation for fiscal year 2011 is provided solely for
28 expenditure into the home visiting services account created in Part IX
29 of this act to be used for contracts for home visitation with the
30 private-public partnership.

31 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
32 department is authorized to increase child care center licensure fees
33 by fifty-two dollars for the first twelve children and an additional
34 four dollars per additional child in fiscal year 2011 for costs to the
35 department for the licensure activity, including costs of necessary
36 inspection.

1 (2) \$25,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$25,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for implementation of Engrossed
4 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
5 the bill is not enacted by June 30, 2009, the amounts provided in this
6 subsection shall lapse.

7 **Sec. 617.** 2009 c 564 s 619 (uncodified) is amended to read as
8 follows:

9 **FOR THE WASHINGTON STATE ARTS COMMISSION**

10	General Fund--State Appropriation (FY 2010)	((\$1,876,000))
11		<u>\$1,844,000</u>
12	General Fund--State Appropriation (FY 2011)	((\$1,883,000))
13		<u>\$1,347,000</u>
14	General Fund--Federal Appropriation	((\$1,923,000))
15		<u>\$1,944,000</u>
16	General Fund--Private/Local Appropriation	((\$1,054,000))
17		<u>\$1,052,000</u>
18	TOTAL APPROPRIATION	((\$6,736,000))
19		<u>\$6,187,000</u>

20 The appropriations in this section are subject to the following
21 conditions and limitations: It is the intent of the legislature that
22 the reductions in appropriations in this section shall be achieved, to
23 the greatest extent possible, by reducing those administrative costs
24 that do not affect direct client services or direct service delivery or
25 programs. The agency shall, to the greatest extent possible, reduce
26 spending in those areas that shall have the least impact on
27 implementing its mission.

28 **Sec. 618.** 2009 c 564 s 620 (uncodified) is amended to read as
29 follows:

30 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

31	General Fund--State Appropriation (FY 2010)	\$2,592,000
32	General Fund--State Appropriation (FY 2011)	((\$2,636,000))
33		<u>\$2,607,000</u>
34	TOTAL APPROPRIATION	((\$5,228,000))
35		<u>\$5,199,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: It is the intent of the legislature that
3 the reductions in appropriations in this section shall be achieved, to
4 the greatest extent possible, by reducing those administrative costs
5 that do not affect direct client services or direct service delivery or
6 programs. The agency shall, to the greatest extent possible, reduce
7 spending in those areas that shall have the least impact on
8 implementing its mission.

9 **Sec. 619.** 2009 c 564 s 621 (uncodified) is amended to read as
10 follows:

11 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

12	General Fund--State Appropriation (FY 2010)	\$1,612,000
13	General Fund--State Appropriation (FY 2011)	(\$1,655,000)
14		<u>\$1,632,000</u>
15	TOTAL APPROPRIATION	(\$3,267,000)
16		<u>\$3,244,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations: It is the intent of the legislature that
19 the reductions in appropriations in this section shall be achieved, to
20 the greatest extent possible, by reducing those administrative costs
21 that do not affect direct client services or direct service delivery or
22 programs. The agency shall, to the greatest extent possible, reduce
23 spending in those areas that shall have the least impact on
24 implementing its mission.

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2009 c 564 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2010)	(\$854,991,000)
	<u>\$842,590,000</u>
General Fund--State Appropriation (FY 2011)	(\$901,265,000)
	<u>\$894,284,000</u>
State Building Construction Account--State	
Appropriation	\$11,707,000
Columbia River Basin Water Supply Development Account--	
State Appropriation	(\$92,000)
	<u>\$117,000</u>
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	\$11,000
State Taxable Building Construction Account--State	
Appropriation	\$1,136,000
Gardner-Evans Higher Education Construction Account--	
State Appropriation	\$260,000
Debt-Limit Reimbursable Bond Retirement Account--State	
Appropriation	(\$2,619,000)
	<u>\$2,612,000</u>
TOTAL APPROPRIATION	(\$1,772,081,000)
	<u>\$1,752,717,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

1	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
2	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
3	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
4	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
5	Lewis County Health Department	\$105,801	\$105,801	\$211,602
6	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
7	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
8	Okanogan County Health District	\$63,458	\$63,458	\$126,916
9	Pacific County Health Department	\$77,427	\$77,427	\$154,854
10	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
11	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
12	Skagit County Health Department	\$223,927	\$223,927	\$447,854
13	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
14	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
15	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
16	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
17	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
18	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
19	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
20	Whitman County Health Department	\$78,733	\$78,733	\$157,466
21	Yakima Health District	\$623,797	\$623,797	\$1,247,594
22	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000))

23 NEW SECTION. **Sec. 705.** A new section is added to 2009 c 564
24 (uncodified) to read as follows:

25 **FOR THE DEPARTMENT OF HEALTH--COUNTY PUBLIC HEALTH ASSISTANCE**

26 General Fund--State Appropriation (FY 2011) \$24,000,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: The director of the department of health
29 shall distribute the appropriations to the following counties and
30 health districts in the amounts designated to support public health
31 services, including public health nursing:

32	Health District	FY 2011
33	Adams County Health District	\$30,951
34	Asotin County Health District	\$67,714

1	Benton-Franklin Health District	\$1,165,612
2	Chelan-Douglas Health District	\$184,761
3	Clallam County Health and Human Services Department	\$141,752
4	Southwest Washington Health District	\$1,084,473
5	Columbia County Health District	\$40,529
6	Cowlitz County Health Department	\$278,560
7	Garfield County Health District	\$15,028
8	Grant County Health District	\$118,596
9	Grays Harbor Health Department	183,870
10	Island County Health Department	\$91,892
11	Jefferson County Health and Human Services	\$85,782
12	Seattle-King County Department of Public Health	\$9,531,747
13	Bremerton-Kitsap County Health District	\$554,669
14	Kittitas County Health Department	\$92,499
15	Klickitat County Health Department	\$62,402
16	Lewis County Health Department	\$105,801
17	Lincoln County Health Department	\$29,705
18	Mason County Department of Health Services	\$95,988
19	Okanogan County Health District	\$63,458
20	Pacific County Health Department	\$77,427
21	Tacoma-Pierce County Health Department	\$2,820,590
22	San Juan County Health and Community Services	\$37,531
23	Skagit County Health Department	\$223,927
24	Snohomish Health District	\$2,258,207
25	Spokane County Health District	\$2,101,429
26	Northeast Tri-County Health District	\$110,454
27	Thurston County Health Department	\$600,419
28	Wahkiakum County Health Department	\$13,772
29	Walla Walla County-City Health Department	\$172,062
30	Whatcom County Health Department	\$855,863
31	Whitman County Health Department	\$78,733
32	Yakima Health District	\$623,797
33	TOTAL APPROPRIATIONS	\$24,000,000

34 **Sec. 706.** 2009 c 564 s 710 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO**
37 **RETIREMENT SYSTEMS.** The appropriations in this section are subject to

1 the following conditions and limitations: The appropriations for the
2 law enforcement officers' and firefighters' retirement system shall be
3 made on a monthly basis beginning July 1, 2009, consistent with chapter
4 41.45 RCW, and the appropriations for the judges and judicial
5 retirement systems shall be made on a quarterly basis consistent with
6 chapters 2.10 and 2.12 RCW.

7 (1) There is appropriated for state contributions to the law
8 enforcement officers' and firefighters' retirement system:

9	General Fund--State Appropriation (FY 2010)	. . . . .	\$51,500,000
10	General Fund--State Appropriation (FY 2011)	. . . . .	(\$54,300,000)
11			<u>\$55,400,000</u>
12	TOTAL APPROPRIATION	. . . . .	(\$105,800,000)
13			<u>\$106,900,000</u>

14 (2) There is appropriated for contributions to the judicial
15 retirement system:

16	General Fund--State Appropriation (FY 2010)	. . . . .	\$11,570,000
17	General Fund--State Appropriation (FY 2011)	. . . . .	(\$12,860,000)
18			<u>\$10,860,000</u>
19	TOTAL APPROPRIATION	. . . . .	(\$24,430,000)
20			<u>\$22,430,000</u>

21 **Sec. 707.** 2009 c 564 s 717 (uncodified) is amended to read as
22 follows:

23 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CAPITOL BUILDING CONSTRUCTION**
24 **ACCOUNT**

25	General Fund--State Appropriation (FY 2010)	. . . . .	(\$2,312,000)
26			<u>\$1,912,000</u>
27	General Fund--State Appropriation (FY 2011)	. . . . .	\$3,615,000
28	TOTAL APPROPRIATION	. . . . .	(\$5,927,000)
29			<u>\$5,527,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: The appropriations are provided solely for
32 expenditure into the capitol building construction account.

33 NEW SECTION. **Sec. 708.** A new section is added to 2009 c 564
34 (uncodified) to read as follows:

35 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON MANAGEMENT SERVICES**

1 authorize state agencies and institutions to directly acquire printing
2 services. The analysis shall identify savings by agency and fund that
3 will result from the implementation of a strategic printing strategy.
4 The results of this analysis shall then be provided to the director of
5 financial management and appropriate legislative committees by July 1,
6 2010. The director shall use the analysis as the basis to achieve the
7 savings identified in subsection (1) of this section.

8 NEW SECTION. **Sec. 711.** A new section is added to 2009 c 564
9 (uncodified) to read as follows:

10 **INFORMATION TECHNOLOGY.** Pursuant to section 11, chapter 282, Laws
11 of 2010 (state government technology use), the office of financial
12 management shall work with the appropriate state agencies to generate
13 savings of \$30,000,000 from technology efficiencies from the state
14 general fund. From appropriations in this act, the office of financial
15 management shall reduce general fund--state allotments by \$30,000,000
16 for fiscal year 2011. The office of financial management shall,
17 utilizing existing fund balance, reduce the data processing revolving
18 account rates in an amount to reflect up to half of the reductions
19 identified in this section. The allotment reductions shall be placed
20 in unallotted status and remain unexpended. Nothing in this section is
21 intended to impact revenue collection efforts by the department of
22 revenue.

23 NEW SECTION. **Sec. 712.** A new section is added to 2009 c 564
24 (uncodified) to read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
26 **COSTS**

27 General Fund--State Appropriation (FY 2010) \$620,000

28 The appropriation in this section is subject to the following
29 conditions and limitations: The director of financial management shall
30 distribute funds to Jefferson county (\$197,000), Skagit county
31 (\$390,000), and Franklin county (\$33,000) for extraordinary criminal
32 justice costs.

33 **Sec. 713.** 2009 c 564 s 720 (uncodified) is amended to read as
34 follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT**
2 **SYSTEMS**

3 (~~General Fund--State Appropriation (FY 2010)~~) \$400,000
4 ~~General Fund--State Appropriation (FY 2011)~~ \$400,000
5 ~~Special Account Retirement System Contribution~~
6 ~~Increase Revolving Account Appropriation~~ \$1,000,000
7 ~~TOTAL APPROPRIATION~~ \$1,800,000

8 ~~The appropriations in this section are subject to the following~~
9 ~~conditions and limitations:~~

10 ~~(1) The)) Appropriations in this ((section are provided solely to~~
11 ~~increase)) act include agency and institution appropriations and public~~
12 ~~school funding allocations to reflect increased employer contribution~~
13 ~~rates in the public employees' retirement system and the school~~
14 ~~employees' retirement system as a result of the provisions of~~
15 ~~Substitute Senate Bill No. 6157 (calculating compensation for public~~
16 ~~retirement purposes). ((If the bill is not enacted by June 30, 2009,~~
17 ~~the amounts provided in this section shall lapse.~~

18 ~~(2) To facilitate the transfer of moneys to dedicated funds and~~
19 ~~accounts, the state treasurer shall transfer sufficient moneys to each~~
20 ~~dedicated fund or account from the special account retirement~~
21 ~~contribution increase revolving account in accordance with schedules~~
22 ~~provided by the office of financial management.))~~

23 NEW SECTION. **Sec. 714.** A new section is added to 2009 c 564
24 (uncodified) to read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OPPORTUNITY EXPRESS ACCOUNT**
26 General Fund--State Appropriation (FY 2011) \$18,556,000

27 The appropriation in this section is provided solely for
28 expenditure into the opportunity express account--state.

29 **Sec. 715.** 2010 c 247 s 502 (uncodified) is amended to read as
30 follows:

31 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--REVISED EMPLOYER HEALTH**
32 **BENEFIT RATES**

33 Aeronautics Account--State ((\$3,000))
34 \$10,000
35 State Patrol Highway Account--State ((\$618,000))
36 \$1,877,000

1	Motorcycle Safety Education Account--State	((\$2,000))
2		<u>\$5,000</u>
3	High Occupancy Toll Lanes Operations Account--State	((\$2,000))
4		<u>\$5,000</u>
5	Rural Arterial Trust Account--State	((\$2,000))
6		<u>\$5,000</u>
7	Wildlife Account--State	((\$2,000))
8		<u>\$5,000</u>
9	Highway Safety Account--State	((\$261,000))
10		<u>\$791,000</u>
11	Highway Safety Account--Federal	((\$6,000))
12		<u>\$19,000</u>
13	Motor Vehicle Account--State	((\$1,076,000))
14		<u>\$3,262,000</u>
15	Puget Sound Ferry Operations Account--State	((\$527,000))
16		<u>\$1,601,000</u>
17	Urban Arterial Trust Account--State	((\$2,000))
18		<u>\$5,000</u>
19	Transportation Improvement Account--State	((\$2,000))
20		<u>\$5,000</u>
21	County Arterial Preservation Account--State	((\$2,000))
22		<u>\$5,000</u>
23	Department of Licensing Services Account--State	((\$3,000))
24		<u>\$10,000</u>
25	Multimodal Transportation Account--State	((\$13,000))
26		<u>\$39,000</u>
27	Tacoma Narrows Toll Bridge Account--State	((\$3,000))
28		<u>\$10,000</u>

29 Appropriations are adjusted to reflect changes to appropriations to
30 reflect changes in the employer cost of providing health benefit
31 coverage. The office of financial management shall update agency
32 appropriations schedules to reflect the changes in funding levels in
33 this section as identified by agency and fund in LEAP transportation
34 document GLB-2010A. From the applicable accounts, the office of
35 financial management shall adjust allotments to the respective agencies
36 by an amount that conforms with funding adjustments enacted in the 2010
37 supplemental omnibus operating appropriations act. Any allotment

1 reductions under this section must be placed in reserve status and
2 remain unexpended.

3 NEW SECTION. **Sec. 716.** A new section is added to 2009 c 564
4 (uncodified) to read as follows:

5 **FOR THE DEPARTMENT OF TRANSPORTATION--NATIONAL POLLUTION DISCHARGE**
6 **ELIMINATION SYSTEM PERMIT COMPLIANCE**

7 Motor Vehicle Account--State Appropriation \$2,425,000

8 The appropriation in this section is subject to the following
9 conditions and limitations: The motor vehicle account appropriation is
10 provided solely for the department of transportation program delivery
11 management and support program's compliance with its national pollution
12 discharge elimination system permit. The department's work may include
13 the competition of system development, reporting, and planning to meet
14 deadlines in the current biennium.

15 NEW SECTION. **Sec. 717.** A new section is added to 2009 c 564
16 (uncodified) to read as follows:

17 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--AGENCY REALLOCATION AND**
18 **REALIGNMENT COMMISSION**

19 General Fund--State Appropriation (FY 2011) \$250,000

20 The appropriations in this section are subject to the following
21 conditions and limitations:

22 (1) The agency reallocation and realignment of Washington (ARROW)
23 commission on restructuring state government is established, with
24 members as provided in this section.

25 (a) The governor, the president of the senate, and the speaker of
26 the house of representatives shall each appoint two members to the
27 commission, each of whom shall have broad statewide policy and fiscal
28 experience. Each appointing authority shall appoint a member to
29 replace any member who resigns.

30 (b) The commission shall choose its chair from among its membership
31 or may select a representative of the administering higher education
32 institution as chair. The president of the senate and the speaker of
33 the house, or their mutually selected designee, shall convene the
34 initial meeting of the commission and shall preside until a chair is
35 chosen.

- 1 (2) The commission shall:
- 2 (a) Review budget, revenue, and caseload forecasts and estimates
3 over the ensuing six-year period;
- 4 (b) Examine current operations and organization of state
5 government, assuming no expansion of current funding sources; and
- 6 (c) Evaluate operational and organizational restructuring
7 possibilities to find cost savings and efficiencies in order to
8 maintain or enhance governmental functions with fewer resources.
- 9 (3) The commission may make proposals to:
- 10 (a) Adopt methods and procedures for reducing expenditures to the
11 lowest amount consistent with the efficient performance of essential
12 services, activities, and functions;
- 13 (b) Eliminate duplication and overlapping of services, activities,
14 and functions, and time-consuming or wasteful practices;
- 15 (c) Consolidate services, activities, and functions of a similar
16 nature;
- 17 (d) Abolish services, activities, and functions to improve the
18 efficient operation of government;
- 19 (e) Eliminate state departments and agencies, create new state
20 departments and agencies, reorganize existing state departments and
21 agencies, and transfer functions and responsibilities among state
22 departments and agencies;
- 23 (f) Define or redefine the duties and responsibilities of state
24 officers; and
- 25 (g) Revise present provisions for continuing appropriations of
26 state funds of whatever kind for whatever purpose, eliminate any such
27 existing provisions, or adopt new provisions.
- 28 (4) Staffing and administrative support to the commission shall be
29 provided by a university or college that volunteers to do so.
- 30 (5) Commissioners are entitled to be reimbursed for travel expenses
31 in accordance with RCW 43.03.050 and 43.03.060 from funds appropriated
32 to the commission.
- 33 (6) The expenses of the commission shall be paid out of funds
34 appropriated to the commission, funds made available by the university
35 or college administering the commission, and gifts, grants, and
36 donations.
- 37 (7) The commission shall report its findings and recommendations,
38 including proposed legislation, to the appropriate committees of the

1 legislature. Recommendations may be in bill form as proposed
2 legislation, as appropriations or revenue proposals, revisions to
3 administrative rules, or other appropriate formats.

4 (8) The office of the code reviser shall assist the commission with
5 bill drafting as needed.

6 (9) This section expires June 30, 2011.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2009 c 564 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((\$8,268,000)) \$7,572,000

General Fund Appropriation for public utility district excise tax distributions ((\$48,771,000)) \$47,342,000

General Fund Appropriation for prosecuting attorney distributions \$6,281,000

General Fund Appropriation for boating safety and education distributions \$4,854,000

General Fund Appropriation for other tax distributions \$50,000

General Fund Appropriation for habitat conservation program distributions \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$2,544,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$170,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((\$69,288,000)) \$36,651,000

County Criminal Justice Assistance Appropriation ((\$66,374,000)) \$68,528,000

Municipal Criminal Justice Assistance Appropriation ((\$25,622,000)) \$27,175,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((\$28,564,000)) \$27,366,000

Liquor Excise Tax Account Appropriation for liquor

1	excise tax distribution	((\$50,950,000))
2		<u>\$58,268,000</u>
3	Streamline Sales and Use Tax Account Appropriation for	
4	distribution to local taxing jurisdictions to mitigate	
5	the unintended revenue redistribution effect of the	
6	sourcing law changes	((\$65,038,000))
7		<u>\$50,056,000</u>
8	Columbia River Water Delivery Account Appropriation for the	
9	Confederated Tribes of the Colville Reservation . .	((\$7,308,000))
10		<u>\$7,315,000</u>
11	Columbia River Water Delivery Account Appropriation for the	
12	Spokane Tribe of Indians	((\$4,676,000))
13		<u>\$4,644,000</u>
14	Liquor Revolving Account Appropriation for liquor	
15	profits distribution	((\$80,435,000))
16		<u>\$68,741,000</u>
17	Liquor Revolving Account Appropriation for additional	
18	liquor profits distribution to local	
19	governments	\$18,677,000
20	TOTAL APPROPRIATION	((\$490,870,000))
21		<u>\$439,234,000</u>

22 The total expenditures from the state treasury under the
23 appropriations in this section shall not exceed the funds available
24 under statutory distributions for the stated purposes.

25 NEW SECTION. **Sec. 802.** A new section is added to 2009 c 564
26 (uncodified) to read as follows:

27 **FOR THE STATE TREASURER--TRANSFERS.** If the forecast adopted by
28 the state economic and revenue forecast council in March 2011
29 anticipates that less than one hundred thirteen million five hundred
30 thousand dollars of state lottery revenue will be deposited into the
31 opportunity pathways account in fiscal year 2011, the state treasurer
32 shall transfer sufficient funds from the state general fund to the
33 opportunity pathways account to assure that deposits into the
34 opportunity pathways account total one hundred thirteen million five
35 hundred thousand dollars in fiscal year 2011.

1 year 2011 \$5,000,000
2 Tobacco Settlement Account: For transfer to the state
3 general fund, in an amount not to exceed by more
4 than (~~(\$26,000,000)~~) \$42,200,000 the actual amount
5 of the annual payment to the tobacco settlement
6 account (~~(\$204,098,000)~~)
7 \$220,298,000
8 Tobacco Settlement Account: For transfer to the life
9 sciences discovery fund, in an amount not to exceed
10 (~~(\$26,000,000)~~) \$42,200,000 less than the actual
11 amount of the strategic contribution supplemental
12 payment to the tobacco settlement account (~~(\$39,170,000)~~)
13 \$22,970,000
14 General Fund: For transfer to the streamline sales and
15 use tax account, (~~(\$31,447,000)~~) \$24,274,000 for
16 fiscal year 2010 and (~~(\$33,591,000)~~) 24,182,000 for
17 fiscal year 2011 (~~(\$65,038,000)~~)
18 \$48,456,000
19 State Convention and Trade Center Account: For transfer
20 to the state convention and trade center operations
21 account, \$1,000,000 for fiscal year 2010 and \$3,100,000
22 for fiscal year 2011 \$4,100,000
23 Tobacco Prevention and Control Account: For transfer
24 to the state general fund for fiscal year 2010 \$1,961,000
25 Nisqually Earthquake Account: For transfer to the
26 disaster response account for fiscal year 2010 \$500,000
27 Judicial Information Systems Account: For transfer
28 to the state general fund, (~~(\$2,500,000)~~) \$3,250,000
29 for fiscal year 2010 and (~~(\$2,500,000)~~) \$3,250,000
30 for fiscal year 2011 (~~(\$5,000,000)~~)
31 \$6,500,000
32 Department of Retirement Systems Expense Account: For
33 transfer to the state general fund, \$1,000,000 for
34 fiscal year 2010 and \$1,500,000 for fiscal year
35 2011 (~~(\$1,500,000)~~)
36 \$2,500,000
37 State Emergency Water Projects Account: For transfer
38 to the state general fund, \$390,000 for fiscal

1 education legacy trust account, \$3,600,000 for
2 fiscal year 2010 and \$2,400,000 for fiscal year
3 2011 \$6,000,000
4 State Lottery Account: For transfer to the education
5 legacy trust account, \$9,500,000 for fiscal year
6 2010 and \$9,500,000 for fiscal year 2011 \$19,000,000
7 College Faculty Awards Trust Fund: For transfer
8 to the state general fund for fiscal year 2010,
9 an amount not to exceed the actual cash balance
10 of the fund \$4,000,000
11 Washington Distinguished Professorship Trust Fund:
12 For transfer to the state general fund for fiscal
13 year 2010, an amount not to exceed the actual cash
14 balance of the fund \$6,000,000
15 Washington Graduate Fellowship Trust Account:
16 For transfer to the state general fund for fiscal
17 year 2010, an amount not to exceed the actual cash
18 balance of the fund \$2,000,000
19 GET Ready for Math and Science Scholarship Account:
20 For transfer to the state general fund for
21 fiscal year 2010, an amount not to exceed
22 the actual cash balance not comprised of or
23 needed to match private contributions \$1,800,000
24 Financial Services Regulation Account: For
25 transfer to the state general fund,
26 \$2,000,000 for fiscal year 2010 and
27 \$2,000,000 for fiscal year 2011 \$4,000,000
28 Data Processing Revolving Fund: For
29 transfer to the state general fund,
30 \$5,632,000 for fiscal year 2010 \$5,632,000
31 Public Service Revolving Account: For
32 transfer to the state general fund,
33 \$8,000,000 for fiscal year 2010 and
34 \$7,000,000 for fiscal year 2011 \$15,000,000
35 Water Quality Capital Account: For
36 transfer to the state general fund,
37 \$278,000 for fiscal year 2011 \$278,000
38 Performance Audits of Government Account:

1 For transfer to the state general fund,
 2 \$10,000,000 for fiscal year 2010 and
 3 \$5,000,000 for fiscal year 2011 \$15,000,000
 4 Job Development Account: For transfer to the
 5 state general fund, \$20,930,000 for fiscal
 6 year 2010 \$20,930,000
 7 Savings Incentive Account: For transfer to the
 8 state general fund, \$10,117,000 for fiscal
 9 year 2010 \$10,117,000
 10 Education Savings Account: For transfer to the
 11 state general fund, \$100,767,000 for fiscal
 12 year 2010 \$100,767,000
 13 Cleanup Settlement Account: For transfer to the
 14 state efficiency and restructuring account for
 15 fiscal year 2011 \$39,480,000
 16 Disaster Response Account: For transfer to the
 17 state drought preparedness account, \$4,000,000
 18 for fiscal year 2010 \$4,000,000
 19 Washington State Convention and Trade Center Account:
 20 For transfer to the state general fund, \$10,000,000
 21 for fiscal year 2011. The transfer in this section
 22 shall occur on June 30, 2011, only if by that date
 23 the Washington state convention and trade center is
 24 not transferred to a public facilities district
 25 pursuant to Substitute Senate Bill No. 6889
 26 (convention and trade center) \$10,000,000
 27 Institutional Welfare/Betterment Account: For transfer
 28 to the state general fund, \$2,000,000 for fiscal
 29 year 2010 and \$2,000,000 for fiscal year 2011 \$4,000,000
 30 Insurance Commissioners Regulatory Account: For
 31 transfer to the state general fund, \$5,000,000
 32 on June 30, 2010, and \$5,000,000 on June 30,
 33 2011 \$10,000,000
 34 Future Teacher Conditional Scholarship Account: For
 35 transfer to the state general fund, \$2,150,000
 36 for fiscal year 2010 and \$2,150,000 for fiscal
 37 year 2011 \$4,300,000
 38 Fingerprint Identification Account: For transfer

PART IX
MISCELLANEOUS

Sec. 901. 2010 c 3 s 601 (uncodified) is amended to read as follows:

NEW HIRES. (1) From the effective date of this section until July 1, 2011, state agencies of the legislative, executive, and judicial branches shall not establish new staff positions or fill vacant existing staff positions except as specifically authorized by this section.

(2) The following activities of state agencies are exempt from subsection (1) of this section:

(a) Direct custody, supervision, and patient care in corrections, juvenile rehabilitation, institutional care of veterans, the mentally ill, developmentally disabled, state hospitals, the special commitment center, and the schools for the blind and the deaf;

(b) Direct protective services to children and other vulnerable populations in the department of social and health services;

(c) Washington state patrol investigative services and field enforcement;

(d) Hazardous materials response and emergency cleanup;

(e) Emergency public health and patient safety response and the public health laboratory;

(f) Military operations and emergency management within the military department;

(g) Firefighting;

(h) Enforcement officers in the department of fish and wildlife, the liquor control board, the gambling commission, and the department of natural resources;

(i) Park rangers at the parks and recreation commission;

(j) Seasonal employment by natural resources agencies to the extent that employment levels do not exceed the prior fiscal year;

(k) Seasonal employment in the department of transportation maintenance programs to the extent that employment levels do not exceed the prior fiscal year;

1 (l) Employees hired on a seasonal basis by the department of
2 agriculture for inspection and certification of agricultural products
3 and for insect detection;

4 (m) Activities directly related to tax and fee collection, revenue
5 generation, auditing, and recovery;

6 (n) In institutions of higher education, any positions directly
7 related to academic programs, as well as positions not funded from
8 state funds or tuition, positions that are filled by enrolled students
9 at their own institution as student workers, positions in campus police
10 and security, positions related to emergency management and response,
11 and positions related to student health care and counseling;

12 (o) Operations of the state lottery and liquor control board
13 business enterprises;

14 (p) The unemployment insurance program of the employment security
15 department; and

16 (q) Activities that are necessary to receive or maintain federal
17 funds by the state.

18 (3) The exemptions specified in subsection (2) of this section do
19 not require the establishment of new staff positions or the filling of
20 vacant staff positions in the activities specified.

21 (4) Exceptions to this section may be granted under section 605 of
22 this act.

23 (5) Also exempted from this section are positions related to
24 facility realignments in the department of corrections, positions
25 related to the transfer of programs between state agencies assumed in
26 this act, and disability determination staff funded solely by federal
27 funds.

28 NEW SECTION. Sec. 902. A new section is added to 2009 c 564
29 (uncodified) to read as follows:

30 **AGENCY STAFFING.** (1) By July 1, 2010, all state agencies must
31 prepare and submit to the office of financial management staffing plans
32 for fiscal year 2011. The first plan must list, by month and by job
33 class, the number of budgeted FTEs, salaries, and benefits for the
34 state general fund. The second plan must list, by month and by job
35 class, the number of budgeted FTEs, salaries, and benefits for the
36 total of all other allotted funds. The plans must be submitted at the

1 same organizational level of detail as funds are appropriated to the
2 agency. Agency allotments and staffing plans submitted to the office
3 of financial management must be consistent.

4 (2) Agencies may only allot FTEs to the extent that the funding
5 allotment contains sufficient funding to fully support those positions.
6 To the extent that allotted FTEs would exceed available funding to
7 support those positions, agencies shall request that the office of
8 financial management revise their full-time equivalent staff allotment
9 to the funded level; legislative and judicial agencies shall report the
10 revised level to the office of financial management. The office of
11 financial management shall summarize, by agency, the changes made under
12 this subsection and provide that information to the appropriate fiscal
13 committees of the legislature by October 1, 2010.

14 (3) Each agency shall report to the office of financial management
15 the number of FTEs filled, by job class, as of July 1, 2010. The
16 information must be provided at the same level of detail as is
17 contained in the staffing plan. For any positions that are vacant on
18 that date, the agency shall list the date that position was last
19 filled. The office of financial management shall summarize information
20 provided under this subsection and report to the appropriate fiscal
21 committees of the legislature by October 1, 2010.

22 NEW SECTION. **Sec. 903.** A new section is added to 2009 c 564
23 (uncodified) to read as follows:

24 **STATE HOUSING FINANCE COMMISSION--FORECLOSURE REVIEW.** In an
25 effort to reduce the number of residential foreclosures while
26 protecting the interests of both borrowers and beneficiaries, the state
27 housing finance commission shall conduct a review of the effectiveness
28 of RCW 61.24.031, which requires a beneficiary or authorized agent to
29 contact the borrower before issuing a notice of default for the
30 purposes of assessing the borrower's financial ability to repay the
31 debt and discussing alternatives to foreclosure. The commission's
32 review of the process shall, at a minimum, examine whether the contact
33 requirement has resulted in an increase in the number of loan
34 modifications and whether additional statutory provisions, such as
35 mandatory mediation, are needed to produce effective communication
36 between beneficiaries and borrowers. The state housing finance

1 commission shall report its findings and any recommendations for
2 legislation to the appropriate committees of the legislature by
3 November 30, 2010.

4 NEW SECTION. **Sec. 904.** A new section is added to 2009 c 564
5 (uncodified) to read as follows:

6 **COLLECTIVE BARGAINING AGREEMENT--WSRCC ADULT FAMILY HOME**
7 **PROVIDERS.** Appropriations in this act reflect the collective
8 bargaining agreement reached between the governor and the Washington
9 state residential care council of adult family homes under the
10 provisions of chapter 41.56 RCW.

11 NEW SECTION. **Sec. 905.** A new section is added to 2009 c 564
12 (uncodified) to read as follows:

13 For purposes of RCW 43.88.110(7), any cash deficit in existence at
14 the close of fiscal year 2010 shall be liquidated over the remainder of
15 the 2009-2011 fiscal biennium.

16 **Sec. 906.** 2009 c 564 s 914 (uncodified) is amended to read as
17 follows:

18 **COMPENSATION--INSURANCE BENEFITS.** Appropriations for state
19 agencies in this act are sufficient for nonrepresented and represented
20 state employee health benefits for state agencies, including
21 institutions of higher education and are subject to the following
22 conditions and limitations:

23 (1)(a) The monthly employer funding rate for insurance benefit
24 premiums, public employees' benefits board administration, and the
25 uniform medical plan, shall not exceed \$745 per eligible employee for
26 fiscal year 2010. For fiscal year 2011 the monthly employer funding
27 rate shall not exceed (~~(\$768)~~) \$850 per eligible employee.

28 (b) In order to achieve the level of funding provided for health
29 benefits, the public employees' benefits board shall require any or all
30 of the following: Employee premium copayments, increases in
31 point-of-service cost sharing, the implementation of managed
32 competition, or make other changes to benefits consistent with RCW
33 41.05.065. During the 2009-11 fiscal biennium, the board may only
34 authorize benefit plans and premium contributions for an employee and

1 the employee's dependents that are the same, regardless of an
2 employee's status as represented or nonrepresented under the personnel
3 system reform act of 2002.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (d) The conditions in this section apply to benefits for
12 nonrepresented employees, employees represented by the super coalition,
13 and represented employees outside of the super coalition, including
14 employees represented under chapter 47.64 RCW.

15 (2) The health care authority, subject to the approval of the
16 public employees' benefits board, shall provide subsidies for health
17 benefit premiums to eligible retired or disabled public employees and
18 school district employees who are eligible for medicare, pursuant to
19 RCW 41.05.085. From January 1, 2010, through the remainder of the
20 2009-11 fiscal biennium, the subsidy shall be \$182.89.

21 (3) Technical colleges, school districts, and educational service
22 districts shall remit to the health care authority for deposit into the
23 public employees' and retirees' insurance account established in RCW
24 41.05.120 the following amounts:

25 (a) For each full-time employee, \$59.59 per month beginning
26 September 1, 2009, and (~~(\$64.90)~~) \$62.48 beginning September 1, 2010;

27 (b) For each part-time employee, who at the time of the remittance
28 is employed in an eligible position as defined in RCW 41.32.010 or
29 41.40.010 and is eligible for employer fringe benefit contributions for
30 basic benefits, \$59.59 each month beginning September 1, 2009, and
31 (~~(\$64.90)~~) \$62.48 beginning September 1, 2010, prorated by the
32 proportion of employer fringe benefit contributions for a full-time
33 employee that the part-time employee receives. The remittance
34 requirements specified in this subsection shall not apply to employees
35 of a technical college, school district, or educational service
36 district who purchase insurance benefits through contracts with the
37 health care authority.

1 **Sec. 907.** 2010 c 247 s 503 (uncodified) is amended to read as
2 follows:

3 **COMPENSATION--INSURANCE BENEFITS.** Appropriations for state
4 agencies in this act are sufficient for nonrepresented and represented
5 state employee health benefits for state agencies, and are subject to
6 the following conditions and limitations:

7 (1)(a) Unless otherwise provided in the 2010 supplemental omnibus
8 operating appropriations act, the monthly employer funding rate for
9 insurance benefit premiums, public employees' benefits board
10 administration, and the uniform medical plan, shall not exceed \$745 per
11 eligible employee for fiscal year 2010. For fiscal year 2011, the
12 monthly employer funding rate shall not exceed (~~(\$795)~~) \$850 per
13 eligible employee.

14 (b) In order to achieve the level of funding provided for health
15 benefits, the public employees' benefits board shall require any or all
16 of the following: Employee premium copayments; increases in point-of-
17 service cost sharing; the implementation of managed competition; or
18 make other changes to benefits consistent with RCW 41.05.065. During
19 the 2009-11 fiscal biennium, the board may only authorize benefit plans
20 and premium contributions for an employee and the employee's dependents
21 that are the same, regardless of an employee's status as represented or
22 nonrepresented under the personnel system reform act of 2002.

23 (c) The health care authority shall deposit any moneys received on
24 behalf of the uniform medical plan as a result of rebates on
25 prescription drugs, audits of hospitals, subrogation payments, or any
26 other moneys recovered as a result of prior uniform medical plan claims
27 payments into the public employees' and retirees' insurance account to
28 be used for insurance benefits. Such receipts shall not be used for
29 administrative expenditures.

30 (d) The conditions in this section apply to benefits for
31 nonrepresented employees, employees represented by the super coalition,
32 and represented employees outside of the super coalition, including
33 employees represented under chapter 47.64 RCW.

34 (2) Unless otherwise provided in the 2010 supplemental omnibus
35 operating appropriations act, the health care authority, subject to the
36 approval of the public employees' benefits board, shall provide
37 subsidies for health benefit premiums to eligible retired or disabled
38 public employees and school district employees who are eligible for

1 medicare, pursuant to RCW 41.05.085. From January 1, 2010, through
2 December 31, 2010, the subsidy shall be \$182.89. Beginning January 1,
3 2011, the subsidy shall be \$182.89 per month.

4 NEW SECTION. **Sec. 908.** A new section is added to 2009 c 564
5 (uncodified) to read as follows:

6 (1) During the 2009-2011 fiscal biennium, every state agency shall
7 implement processes to make all renewal notices available to customers
8 via electronic means by July 1, 2012. The appropriations in this act
9 provide funding for this purpose.

10 (2) Every state agency shall encourage customers to opt-in for an
11 electronic renewal notice in lieu of physical renewal notice.

12 (3) For purposes of this section:

13 (a) "Renewal notices" includes, but is not limited to, notices for
14 the renewal of licenses, registrations, and permits; and

15 (b) "State agency" includes every state office, department,
16 division, bureau, board, and commission of the state.

17 NEW SECTION. **Sec. 909.** A new section is added to 2009 c 564
18 (uncodified) to read as follows:

19 **CORE FUNCTIONS OF GOVERNMENT REVIEW.** (1) The legislature intends
20 to evaluate whether the state agencies and activities are performing in
21 the most efficient manner.

22 (2) By August 1, 2010, the joint legislative audit and review
23 committee must select one of the priorities of government results and
24 determine the relative priority of each activity based on the
25 activity's contribution to the overall objectives of the priorities of
26 government results area.

27 (3) The state auditor must select at least one but not more than
28 four of the highest priority activities identified under subsection (2)
29 of this section to be the subject of performance audits. The
30 activities must be selected for performance audits under this
31 subsection based on the evidence that the program or activity would
32 likely benefit from the evaluation or review. The performance audit
33 shall be conducted using generally accepted government auditing
34 standards and may include an evaluation of: (a) Ways to improve
35 performance, streamline operations, and provide cost-effective service
36 to citizens; (b) programs and services that can be eliminated, reduced,

1 consolidated, or enhanced; and (c) gaps and overlaps in the programs
2 and services and recommendations for improving, eliminating, blending,
3 or separating functions to correct gaps or overlaps.

4 (4) The state auditor must select at least one of the lowest
5 priority activities identified in subsection (2) of this section to be
6 the subject of an activity assessment. The assessment must address the
7 following questions:

8 (a) Does the activity continue to serve the purpose for which it
9 was created?

10 (b) In comparison to other programs and priorities, does this
11 purpose continue to merit the use of the state's limited resources?

12 (c) Does this activity continue to contribute to the priorities of
13 government identified?

14 (d) Are there better alternatives for the use of these resources or
15 to accomplish the objective of the activity?

16 (5) The performance audits conducted under subsection (3) of this
17 section and the assessments under subsection (4) of this section must
18 be completed by June 30, 2011.

19 **Sec. 910.** RCW 13.06.050 and 1993 c 415 s 7 are each amended to
20 read as follows:

21 No county shall be entitled to receive any state funds provided by
22 this chapter until its application and plan are approved, and unless
23 and until the minimum standards prescribed by the department of social
24 and health services are complied with and then only on such terms as
25 are set forth in this section. In addition, any county making
26 application for state funds under this chapter that also operates a
27 juvenile detention facility must have standards of operations in place
28 that include: Intake and admissions, medical and health care,
29 communication, correspondence, visiting and telephone use, security and
30 control, sanitation and hygiene, juvenile rights, rules and discipline,
31 property, juvenile records, safety and emergency procedures,
32 programming, release and transfer, training and staff development, and
33 food service.

34 (1) For the 2009-2011 fiscal biennium, the distribution of funds to
35 a county or a group of counties ((shall)) may be based on criteria
36 including but not limited to the county's per capita income, regional
37 or county at-risk populations, juvenile crime or arrest rates, rates of

1 poverty, size of racial minority populations, existing programs, and
2 the effectiveness and efficiency of consolidating local programs
3 towards reducing commitments to state correctional facilities for
4 offenders whose standard range disposition does not include commitment
5 of the offender to the department and reducing reliance on other
6 traditional departmental services.

7 (2) The secretary will reimburse a county upon presentation and
8 approval of a valid claim pursuant to the provisions of this chapter
9 based on actual performance in meeting the terms and conditions of the
10 approved plan and contract. Funds received by participating counties
11 under this chapter shall not be used to replace local funds for
12 existing programs.

13 (3) The secretary, in conjunction with the human rights commission,
14 shall evaluate the effectiveness of programs funded under this chapter
15 in reducing racial disproportionality. The secretary shall investigate
16 whether implementation of such programs has reduced disproportionality
17 in counties with initially high levels of disproportionality. The
18 analysis shall indicate which programs are cost-effective in reducing
19 disproportionality in such areas as alternatives to detention, intake
20 and risk assessment standards pursuant to RCW 13.40.038, alternatives
21 to incarceration, and in the prosecution and adjudication of juveniles.
22 The secretary shall report his or her findings to the legislature by
23 December 1, 1994, and December 1 of each year thereafter.

24 NEW SECTION. **Sec. 911.** A new section is added to 2009 c 564
25 (uncodified) to read as follows:

26 (1) Except for the activities and organizations provided in
27 subsection (2) of this section, all small agencies with fewer than 176
28 FTEs shall utilize the office of financial management small agency
29 client services for budget, accounting, and payroll services. The
30 director of financial management shall define the transition process
31 and specific agency requirements.

32 (2) The following activities and organizations are not subject to
33 the requirements of subsection (1) of this section:

34 (a) The processing of invoices and budgeting provided for
35 conservation districts by agencies established under chapters 89.08 and
36 89.10 RCW;

1 (b) The accounting requirements of the state housing finance
2 commission and its affiliates established under chapters 43.180,
3 28B.07, and 43.340 RCW; and

4 (c) The accounting requirements of the health care facilities
5 authority established under chapter 70.37 RCW, and the economic
6 development finance authority established under chapter 43.163 RCW.

7 **Sec. 912.** RCW 15.76.115 and 2001 2nd sp.s. c 16 s 1 are each
8 amended to read as follows:

9 The fair fund is created in the custody of the state treasury. All
10 moneys received by the department of agriculture for the purposes of
11 this fund and from RCW 67.16.105(4) shall be deposited into the fund.
12 At the beginning of fiscal year 2002 and each fiscal year thereafter,
13 the state treasurer shall transfer into the fair fund from the general
14 fund the sum of two million dollars, except for fiscal year 2011 the
15 state treasurer shall transfer into the fair fund from the general fund
16 the sum of one million one hundred three thousand dollars.
17 Expenditures from the fund may be used only for assisting fairs in the
18 manner provided in this chapter. Only the director of agriculture or
19 the director's designee may authorize expenditures from the fund. The
20 fund is subject to allotment procedures under chapter 43.88 RCW, but no
21 appropriation is required for expenditures.

22 **Sec. 913.** RCW 28A.300.380 and 2000 c 84 s 2 are each amended to
23 read as follows:

24 (1) The superintendent of public instruction shall maintain support
25 for statewide coordination for career and technical student
26 organizations by providing program staff support that is available to
27 assist in meeting the needs of career and technical student
28 organizations and their members and students. (~~The superintendent~~
29 ~~shall provide at least one full-time equivalent program staff for~~
30 ~~purposes of implementing this section.~~) The superintendent may
31 provide additional support to the organizations through contracting
32 with independent coordinators.

33 (2) Career and technical student organizations eligible for
34 technical assistance and other support services under this section are
35 organizations recognized as career and technical student organizations
36 by:

1 (a) The United States department of education; or

2 (b) The superintendent of public instruction, if such recognition
3 is recommended by the Washington association for career and technical
4 education.

5 (3) Career and technical student organizations eligible for
6 technical assistance and other support services under this section
7 include, but are not limited to: The national FFA organization;
8 family, career, and community leaders of America; skillsUSA;
9 distributive education clubs of America; future business leaders of
10 America; and the technology student association.

11 **Sec. 914.** RCW 28B.50.837 and 2009 c 564 s 1803 are each amended to
12 read as follows:

13 (1) The Washington community and technical college exceptional
14 faculty awards program is established. The program shall be
15 administered by the college board. The college faculty awards trust
16 fund hereby created shall be administered by the state treasurer.

17 (2) Funds appropriated by the legislature for the community and
18 technical college exceptional faculty awards program shall be deposited
19 in the college faculty awards trust fund. At the request of the
20 college board, the treasurer shall release the state matching funds to
21 the local endowment fund of the college or its foundation. No
22 appropriation is necessary for the expenditure of moneys from the fund.
23 Expenditures from the fund may be used solely for the exceptional
24 faculty awards program. During the ~~((2007-2009))~~ 2009-2011 fiscal
25 biennium, the legislature may transfer from the college faculty awards
26 trust fund to the state general fund such amounts as reflect the excess
27 fund balance in the account ~~((~~fund~~))~~.

28 **Sec. 915.** RCW 28B.76.565 and 2009 c 564 s 1805 are each amended to
29 read as follows:

30 Funds appropriated by the legislature for the distinguished
31 professorship program shall be deposited in the distinguished
32 professorship trust fund. At the request of the higher education
33 coordinating board under RCW 28B.76.575, the treasurer shall release
34 the state matching funds to the designated institution's local
35 endowment fund. No appropriation is required for expenditures from the
36 fund. During the ~~((2007-2009))~~ 2009-2011 fiscal biennium, the

1 legislature may transfer from the distinguished professorship trust
2 fund to the state general fund such amounts as reflect the excess fund
3 balance in the account (~~(fund)~~).

4 **Sec. 916.** RCW 28B.76.610 and 2009 c 564 s 1806 are each amended to
5 read as follows:

6 Funds appropriated by the legislature for the graduate fellowship
7 program shall be deposited in the graduate fellowship trust fund. At
8 the request of the higher education coordinating board under RCW
9 28B.76.620, the treasurer shall release the state matching funds to the
10 designated institution's local endowment fund. No appropriation is
11 required for expenditures from the fund. During the (~~(2007-2009)~~)
12 2009-2011 fiscal biennium, the legislature may transfer from the
13 graduate fellowship trust fund to the state general fund such amounts
14 as reflect the excess fund balance in the account (~~(fund)~~).

15 **Sec. 917.** RCW 28B.102.080 and 2007 c 396 s 9 are each amended to
16 read as follows:

17 (1) The future teachers conditional scholarship account is created
18 in the custody of the state treasurer. An appropriation is not
19 required for expenditures of funds from the account. The account is
20 not subject to allotment procedures under chapter 43.88 RCW except for
21 moneys used for program administration.

22 (2) The board shall deposit in the account all moneys received for
23 the future teachers conditional scholarship and loan repayment program
24 and for conditional loan programs under chapter 28A.660 RCW. The
25 account shall be self-sustaining and consist of funds appropriated by
26 the legislature for the future teachers conditional scholarship and
27 loan repayment program, private contributions to the program, receipts
28 from participant repayments from the future teachers conditional
29 scholarship and loan repayment program, and conditional loan programs
30 established under chapter 28A.660 RCW. Beginning July 1, 2004, the
31 board shall also deposit into the account: (a) All funds from the
32 institution of higher education loan account that are traceable to any
33 conditional scholarship program for teachers or prospective teachers
34 established by the legislature before June 10, 2004; and (b) all
35 amounts repaid by individuals under any such program.

1 (3) Expenditures from the account may be used solely for
2 conditional loans and loan repayments to participants in the future
3 teachers conditional scholarship and loan repayment program established
4 by this chapter, conditional scholarships for participants in programs
5 established in chapter 28A.660 RCW, and costs associated with program
6 administration by the board.

7 (4) Disbursements from the account may be made only on the
8 authorization of the board.

9 (5) During the 2009-2011 fiscal biennium, the legislature may
10 transfer from the future teachers conditional scholarship account to
11 the state general fund such amounts as reflect the excess fund balance
12 of the account.

13 **Sec. 918.** RCW 28B.105.110 and 2009 c 564 s 1807 and 2009 c 564 s
14 920 are each reenacted and amended to read as follows:

15 (1) The GET ready for math and science scholarship account is
16 created in the custody of the state treasurer.

17 (2) The board shall deposit into the account all money received for
18 the GET ready for math and science scholarship program from
19 appropriations and private sources. The account shall be
20 self-sustaining.

21 (3) Expenditures from the account shall be used for scholarships to
22 eligible students and for purchases of GET units. Purchased GET units
23 shall be owned and held in trust by the board. Expenditures from the
24 account shall be an equal match of state appropriations and private
25 funds raised by the program administrator. During the 2009-2011 fiscal
26 biennium, expenditures from the account not to exceed five percent may
27 be used by the program administrator to carry out the provisions of RCW
28 28B.105.090.

29 (4) With the exception of the operating costs associated with the
30 management of the account by the treasurer's office as authorized in
31 chapter 43.79A RCW, the account shall be credited with all investment
32 income earned by the account.

33 (5) Disbursements from the account are exempt from appropriations
34 and the allotment provisions of chapter 43.88 RCW.

35 (6) Disbursements from the account shall be made only on the
36 authorization of the board.

1 (7) During the 2007-2009 fiscal biennium, the legislature may
2 transfer state appropriations to the GET ready for math and science
3 scholarship account that have not been matched by private contributions
4 to the state general fund.

5 (8) During the 2009-2011 fiscal biennium, the legislature may
6 transfer from the GET ready for math and science scholarship account to
7 the state general fund such amounts as have not been donated from or
8 matched by private contributions.

9 **Sec. 919.** RCW 38.52.105 and 2005 c 422 s 2 are each amended to
10 read as follows:

11 The disaster response account is created in the state treasury.
12 Moneys may be placed in the account from legislative appropriations and
13 transfers, federal appropriations, or any other lawful source. Moneys
14 in the account may be spent only after appropriation. Expenditures
15 from the account may be used only for support of state agency and local
16 government disaster response and recovery efforts and to reimburse the
17 workers' compensation funds and self-insured employers under RCW
18 51.16.220. (~~During the 2001-03 biennium, funds from the account may~~
19 ~~also be used for costs associated with national security preparedness~~
20 ~~activities.)) During the 2009-2011 fiscal biennium, the legislature may~~

21 transfer from the disaster response account to the state drought
22 preparedness account such amounts as reflect the excess fund balance of
23 the account to support expenditures related to a state drought
24 declaration.

25 **Sec. 920.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to
26 read as follows:

27 Starting (~~in 2012~~) June 30, 2010, and at least once every three
28 years thereafter, each agency with more than three hundred full-time
29 equivalent employees shall apply to the Washington state quality award,
30 or similar organization, for an independent assessment of its quality
31 management, accountability, and performance system. The assessment
32 shall evaluate the effectiveness of all elements of its management,
33 accountability, and performance system, including: Leadership,
34 strategic planning, customer focus, analysis and information, employee
35 performance management, and process improvement. The purpose of the

1 assessment is to recognize best practice and identify improvement
2 opportunities.

3 **Sec. 921.** RCW 43.20A.725 and 2004 c 254 s 1 are each amended to
4 read as follows:

5 (1) The department, through the sole authority of the office or its
6 successor organization, shall maintain a program whereby an individual
7 of school age or older who possesses a hearing or speech impairment is
8 provided with telecommunications equipment, software, and/or peripheral
9 devices, digital or otherwise, that is determined by the office to be
10 necessary for such a person to access and use telecommunications
11 transmission services effectively.

12 (2) The department, through the sole authority of the office or its
13 successor organization, shall maintain a program where
14 telecommunications relay services of a human or electronic nature will
15 be provided to connect hearing impaired, deaf-blind, or speech impaired
16 persons with persons who do not have a hearing or speech impairment.
17 Such telecommunications relay services shall provide the ability for an
18 individual who has a hearing or speech impairment to engage in voice,
19 tactile, or visual communication by wire or radio with a hearing
20 individual in a manner that is functionally equivalent to the ability
21 of an individual who does not have a hearing or speech impairment to
22 communicate using voice or visual communication services by wire or
23 radio subject to subsection (4)(b) of this section.

24 (3) The telecommunications relay service and equipment distribution
25 program may operate in such a manner as to provide communications
26 transmission opportunities that are capable of incorporating new
27 technologies that have demonstrated benefits consistent with the intent
28 of this chapter and are in the best interests of the citizens of this
29 state.

30 (4) The office shall administer and control the award of money to
31 all parties incurring costs in implementing and maintaining
32 telecommunications services, programs, equipment, and technical support
33 services according to this section. The relay service contract shall
34 be awarded to an individual company registered as a telecommunications
35 company by the utilities and transportation commission, to a group of
36 registered telecommunications companies, or to any other company or
37 organization determined by the office as qualified to provide relay

1 services, contingent upon that company or organization being approved
2 as a registered telecommunications company prior to final contract
3 approval. The relay system providers and telecommunications equipment
4 vendors shall be selected on the basis of cost-effectiveness and
5 utility to the greatest extent possible under the program and technical
6 specifications established by the office.

7 (a) To the extent funds are available under the then-current rate
8 and not otherwise held in reserve or required for other purposes
9 authorized by this chapter, the office may award contracts for
10 communications and related services and equipment for hearing impaired
11 or speech impaired individuals accessing or receiving services provided
12 by, or contracted for, the department to meet access obligations under
13 Title 2 of the federal Americans with disabilities act or related
14 federal regulations.

15 (b) The office shall perform its duties under this section with the
16 goal of achieving functional equivalency of access to and use of
17 telecommunications services similar to the enjoyment of access to and
18 use of such services experienced by an individual who does not have a
19 hearing or speech impairment only to the extent that funds are
20 available under the then-current rate and not otherwise held in reserve
21 or required for other purposes authorized by this chapter.

22 (5) The program shall be funded by a telecommunications relay
23 service (TRS) excise tax applied to each switched access line provided
24 by the local exchange companies. The office shall determine, in
25 consultation with the office's program advisory committee, the budget
26 needed to fund the program on an annual basis, including both
27 operational costs and a reasonable amount for capital improvements such
28 as equipment upgrade and replacement. The budget proposed by the
29 office, together with documentation and supporting materials, shall be
30 submitted to the office of financial management for review and
31 approval. The approved budget shall be given by the department in an
32 annual budget to the department of revenue no later than March 1st
33 prior to the beginning of the fiscal year. The department of revenue
34 shall then determine the amount of telecommunications relay service
35 excise tax to be placed on each switched access line and shall inform
36 local exchange companies and the utilities and transportation
37 commission of this amount no later than May 1st. The department of
38 revenue shall determine the amount of telecommunications relay service

1 excise tax to be collected in the following fiscal year by dividing the
2 total of the program budget, as submitted by the office, by the total
3 number of switched access lines in the prior calendar year, as reported
4 to the department of revenue under chapter 82.14B RCW, and shall not
5 exercise any further oversight of the program under this subsection
6 other than administering the collection of the telecommunications relay
7 service excise tax as provided in RCW 82.72.010 through 82.72.090. The
8 telecommunications relay service excise tax shall not exceed nineteen
9 cents per month per access line. The telecommunications relay service
10 excise tax shall be separately identified on each ratepayer's bill with
11 the following statement: "Funds federal ADA requirement." All
12 proceeds from the telecommunications relay service excise tax shall be
13 put into a fund to be administered by the office through the
14 department. During the 2009-2011 fiscal biennium, the funds may also
15 be used to provide individualized employment services and employment-
16 related counseling to people with disabilities, and technical
17 assistance to employers about the employment of people with
18 disabilities. "Switched access line" has the meaning provided in RCW
19 82.14B.020.

20 (6) The telecommunications relay service program and equipment
21 vendors shall provide services and equipment consistent with the
22 requirements of federal law for the operation of both interstate and
23 intrastate telecommunications services for the hearing impaired or
24 speech impaired. The department and the utilities and transportation
25 commission shall be responsible for ensuring compliance with federal
26 requirements and shall provide timely notice to the legislature of any
27 legislation that may be required to accomplish compliance.

28 (7) The department shall adopt rules establishing eligibility
29 criteria, ownership obligations, financial contributions, and a program
30 for distribution to individuals requesting and receiving such
31 telecommunications devices distributed by the office, and other rules
32 necessary to administer programs and services consistent with this
33 chapter.

34 **Sec. 922.** RCW 43.43.839 and 1995 c 169 s 2 are each amended to
35 read as follows:

36 The fingerprint identification account is created in the custody of
37 the state treasurer. All receipts from incremental charges of

1 fingerprint checks requested for noncriminal justice purposes and
2 electronic background requests shall be deposited in the account.
3 Receipts for fingerprint checks by the federal bureau of investigation
4 may also be deposited in the account. Expenditures from the account
5 may be used only for the cost of record checks. Only the chief of the
6 state patrol or the chief's designee may authorize expenditures from
7 the account. The account is subject to allotment procedures under
8 chapter 43.88 RCW. No appropriation is required for expenditures prior
9 to July 1, 1997. After June 30, 1997, the account shall be subject to
10 appropriation. During the 2009-2011 fiscal biennium, the legislature
11 may transfer from the fingerprint identification account to the state
12 general fund such amounts as reflect the excess fund balance of the
13 account.

14 **Sec. 923.** RCW 43.43.944 and 2007 c 520 s 6034 are each amended to
15 read as follows:

16 (1) The fire service training account is hereby established in the
17 state treasury. The fund shall consist of:

18 (a) All fees received by the Washington state patrol for fire
19 service training;

20 (b) All grants and bequests accepted by the Washington state patrol
21 under RCW 43.43.940;

22 (c) Twenty percent of all moneys received by the state on fire
23 insurance premiums; and

24 (d) General fund--state moneys appropriated into the account by the
25 legislature.

26 (2) Moneys in the account may be appropriated only for fire service
27 training. The state patrol may use amounts appropriated from the fire
28 service training account under this section to contract with the
29 Washington state firefighters apprenticeship trust for the operation of
30 the firefighter joint apprenticeship training program. The contract
31 may call for payments on a monthly basis. During the ((2007-2009))
32 2009-2011 fiscal biennium, the legislature may appropriate funds from
33 this account for school fire prevention activities within the
34 Washington state patrol ((and additional sanitary wastewater treatment
35 capacity at the state fire service training center)).

36 (3) Any general fund--state moneys appropriated into the account
37 shall be allocated solely to the firefighter joint apprenticeship

1 training program. The Washington state patrol may contract with
2 outside entities for the administration and delivery of the firefighter
3 joint apprenticeship training program.

4 **Sec. 924.** RCW 43.60A.185 and 2006 c 343 s 8 are each amended to
5 read as follows:

6 The veterans innovations program account is created in the state
7 treasury. Moneys in the account may be spent only after appropriation.
8 Expenditures from the account may be used only for purposes of the
9 veterans innovations program. During the 2009-2011 fiscal biennium,
10 the funds may be used for contracting for veterans' claims assistance
11 services.

12 **Sec. 925.** RCW 43.131.406 and 2006 c 343 s 11 are each amended to
13 read as follows:

14 The following acts or parts of acts, as now existing or hereafter
15 amended, are each repealed, effective June 30, 2017:

- 16 (1) 2006 c 343 s 1 (uncodified);
- 17 (2) RCW 43.60A.160 and 2006 c 343 s 3;
- 18 (3) RCW 43.60A.165 and 2006 c 343 s 4;
- 19 (4) RCW 43.60A.170 and 2006 c 343 s 5;
- 20 (5) RCW 43.60A.175 and 2006 c 343 s 6;
- 21 (6) RCW 43.60A.180 and 2006 c 343 s 7; and
- 22 (7) RCW 43.60A.185 and section 924 of this act and 2006 c 343 s 8.

23 **Sec. 926.** RCW 43.70.110 and 2009 c 403 s 5 are each amended to
24 read as follows:

25 (1) The secretary shall charge fees to the licensee for obtaining
26 a license. Physicians regulated pursuant to chapter 18.71 RCW who
27 reside and practice in Washington and obtain or renew a retired active
28 license are exempt from such fees. After June 30, 1995, municipal
29 corporations providing emergency medical care and transportation
30 services pursuant to chapter 18.73 RCW shall be exempt from such fees,
31 provided that such other emergency services shall only be charged for
32 their pro rata share of the cost of licensure and inspection, if
33 appropriate. The secretary may waive the fees when, in the discretion
34 of the secretary, the fees would not be in the best interest of public

1 health and safety, or when the fees would be to the financial
2 disadvantage of the state.

3 (2) Except as provided in subsection (3) of this section, fees
4 charged shall be based on, but shall not exceed, the cost to the
5 department for the licensure of the activity or class of activities and
6 may include costs of necessary inspection.

7 (3) License fees shall include amounts in addition to the cost of
8 licensure activities in the following circumstances:

9 (a) For registered nurses and licensed practical nurses licensed
10 under chapter 18.79 RCW, support of a central nursing resource center
11 as provided in RCW 18.79.202, until June 30, 2013;

12 (b) For all health care providers licensed under RCW 18.130.040,
13 the cost of regulatory activities for retired volunteer medical worker
14 licensees as provided in RCW 18.130.360; and

15 (c) For physicians licensed under chapter 18.71 RCW, physician
16 assistants licensed under chapter 18.71A RCW, osteopathic physicians
17 licensed under chapter 18.57 RCW, osteopathic physicians' assistants
18 licensed under chapter 18.57A RCW, naturopaths licensed under chapter
19 18.36A RCW, podiatrists licensed under chapter 18.22 RCW, chiropractors
20 licensed under chapter 18.25 RCW, psychologists licensed under chapter
21 18.83 RCW, registered nurses licensed under chapter 18.79 RCW,
22 optometrists licensed under chapter 18.53 RCW, mental health counselors
23 licensed under chapter 18.225 RCW, massage therapists licensed under
24 chapter 18.108 RCW, clinical social workers licensed under chapter
25 18.225 RCW, and acupuncturists licensed under chapter 18.06 RCW, the
26 license fees shall include up to an additional twenty-five dollars to
27 be transferred by the department to the University of Washington for
28 the purposes of RCW 43.70.112. During the 2009-2011 fiscal biennium,
29 five dollars of the current twenty-dollar fee received from registered
30 nurses under this subsection may be expended by the department of
31 health exclusively for the purposes of funding approved treatment
32 programs for impaired registered nurses, registered nursing license
33 processing functions, and disciplinary activities related to registered
34 nurses.

35 (4) Department of health advisory committees may review fees
36 established by the secretary for licenses and comment upon the
37 appropriateness of the level of such fees.

1 **Sec. 927.** RCW 43.78.030 and 1994 c 82 s 1 are each amended to read
2 as follows:

3 The public printer shall print and bind the session laws, the
4 journals of the two houses of the legislature, all bills, resolutions,
5 documents, and other printing and binding of either the senate or
6 house, as the same may be ordered by the legislature; and such forms,
7 blanks, record books, and printing and binding of every description as
8 may be ordered by all state officers, boards, commissions, and
9 institutions, and the supreme court, and the court of appeals and
10 officers thereof, as the same may be ordered on requisition, from time
11 to time, by the proper authorities. This section shall not apply to
12 the printing of the supreme court and the court of appeals reports, to
13 the printing of bond certificates or bond offering disclosure
14 documents, to the printing of educational publications of the state
15 historical societies, or to any printing done or contracted for by
16 institutions of higher education: PROVIDED, That institutions of
17 higher education, in consultation with the public printer, develop
18 vendor selection procedures comparable to those used by the public
19 printer for contracted printing jobs. Where any institution or
20 institution of higher learning of the state is or may become equipped
21 with facilities for doing such work, it may do any printing: (1) For
22 itself, or (2) for any other state institution when such printing is
23 done as part of a course of study relative to the profession of
24 printer. Any printing and binding of whatever description as may be
25 needed by any institution or agency of the state department of social
26 and health services not at Olympia, or the supreme court or the court
27 of appeals or any officer thereof, the estimated cost of which shall
28 not exceed one thousand dollars, may be done by any private printing
29 company in the general vicinity within the state of Washington so
30 ordering, if in the judgment of the officer of the agency so ordering,
31 the saving in time and processing justifies the award to such local
32 private printing concern.

33 Beginning on July 1, 1989, and on July 1 of each succeeding odd-
34 numbered year, the dollar limit specified in this section shall be
35 adjusted as follows: The office of financial management shall
36 calculate such limit by adjusting the previous biennium's limit by an
37 appropriate federal inflationary index reflecting the rate of inflation

1 for the previous biennium. Such amounts shall be rounded to the
2 nearest fifty dollars.

3 During the 2009-2011 fiscal biennium, this section does not apply
4 to pilot printing projects authorized by the office of financial
5 management to allow state agencies and institutions to directly acquire
6 printing services.

7 **Sec. 928.** RCW 43.79.460 and 2009 c 518 s 21 are each amended to
8 read as follows:

9 (1) The savings incentive account is created in the custody of the
10 state treasurer. The account shall consist of all moneys appropriated
11 to the account by the legislature. The account is subject to the
12 allotment procedures under chapter 43.88 RCW, but no appropriation is
13 required for expenditures from the account.

14 (2) Within the savings incentive account, the state treasurer may
15 create subaccounts to be credited with incentive savings attributable
16 to individual state agencies, as determined by the office of financial
17 management in consultation with the legislative fiscal committees.
18 Moneys deposited in the subaccounts may be expended only on the
19 authorization of the agency's executive head or designee and only for
20 the purpose of one-time expenditures to improve the quality,
21 efficiency, and effectiveness of services to customers of the state,
22 such as one-time expenditures for employee training, employee
23 incentives, technology improvements, new work processes, or performance
24 measurement. Funds may not be expended from the account to establish
25 new programs or services, expand existing programs or services, or
26 incur ongoing costs that would require future expenditures.

27 (3) For purposes of this section, "incentive savings" means state
28 general fund appropriations that are unspent as of June 30th of a
29 fiscal year, excluding any amounts included in across-the-board
30 reductions under RCW 43.88.110 and excluding unspent appropriations
31 for:

32 (a) Caseload and enrollment in entitlement programs, except to the
33 extent that an agency has clearly demonstrated that efficiencies have
34 been achieved in the administration of the entitlement program.
35 "Entitlement program," as used in this section, includes programs for
36 which specific sums of money are appropriated for pass-through to third
37 parties or other entities;

1 (b) Enrollments in state institutions of higher education;

2 (c) A specific amount contained in a condition or limitation to an
3 appropriation in the biennial appropriations act, if the agency did not
4 achieve the specific purpose or objective of the condition or
5 limitation;

6 (d) Debt service on state obligations; and

7 (e) State retirement system obligations.

8 (4) The office of financial management, after consulting with the
9 legislative fiscal committees, shall report the amount of savings
10 incentives achieved.

11 (5) For fiscal year 2009, the legislature may transfer from the
12 savings incentive account to the state general fund such amounts as
13 reflect the fund balance of the account attributable to unspent state
14 general fund appropriations for fiscal year 2008. For fiscal year
15 2010, the legislature may transfer from the savings incentive account
16 to the state general fund such amounts as reflect the fund balance of
17 the account attributable to unspent state general fund appropriations
18 for fiscal year 2009.

19 **Sec. 929.** RCW 43.79.465 and 2009 c 4 s 903 are each amended to
20 read as follows:

21 The education savings account is created in the state treasury.
22 The account shall consist of all moneys appropriated to the account by
23 the legislature.

24 (1) Ten percent of legislative appropriations to the education
25 savings account shall be distributed as follows: (a) Fifty percent to
26 the distinguished professorship trust fund under RCW 28B.76.565; (b)
27 seventeen percent to the graduate fellowship trust fund under RCW
28 28B.76.610; and (c) thirty-three percent to the college faculty awards
29 trust fund under RCW 28B.50.837.

30 (2) The remaining moneys in the education savings account may be
31 appropriated solely for (a) common school construction projects that
32 are eligible for funding from the common school construction account,
33 (b) technology improvements in the common schools, (c) during the 2001-
34 03 fiscal biennium, technology improvements in public higher education
35 institutions, (~~and~~) (d) during the 2007-2009 fiscal biennium, the
36 legislature may transfer from the education savings account to the
37 state general fund such amounts as reflect the excess fund balance of

1 the account attributable to unspent state general fund appropriations
2 for fiscal year 2008, and (e) for fiscal year 2010, the legislature may
3 transfer from the education savings account to the state general fund
4 such amounts as reflect the fund balance of the account attributable to
5 unspent general fund appropriations for fiscal year 2009.

6 **Sec. 930.** RCW 43.89.010 and 2000 2nd sp.s. c 4 s 7 are each
7 amended to read as follows:

8 The chief of the Washington state patrol is hereby authorized to
9 establish a communications network which will inter-connect the law
10 enforcement agencies of the state and its political subdivisions into
11 a unified written communications system. The chief of the Washington
12 state patrol is authorized to lease or purchase such facilities and
13 equipment as may be necessary to establish and maintain the
14 communications network.

15 (1) The communications network shall be used exclusively for the
16 official business of the state, and the official business of any city,
17 county, city and county, or other public agency.

18 (2) This section does not prohibit the occasional use of the
19 state's communications network by any other state or public agency
20 thereof when the messages transmitted relate to the enforcement of the
21 criminal laws of the state.

22 (3) The chief of the Washington state patrol shall fix the monthly
23 operational charge to be paid by any department or agency of state
24 government, or any city, county, city and county, or other public
25 agency participating in the communications network: PROVIDED, That in
26 computing charges to be made against a city, county, or city and county
27 the state shall bear at least fifty percent of the costs of such
28 service as its share in providing a modern unified communications
29 network to the law enforcement agencies of the state. Of the fees
30 collected pursuant to this section, one-half shall be deposited in the
31 motor vehicle fund and one-half shall be deposited in the state patrol
32 highway account. However, for the 2009-2011 fiscal biennium the fees
33 collected pursuant to this section shall be deposited in the state
34 general fund.

35 (4) The chief of the Washington state patrol is authorized to
36 arrange for the connection of the communications network with the law

1 enforcement communications system of any adjacent state, or the
2 Province of British Columbia, Canada.

3 **Sec. 931.** RCW 43.105.080 and 1999 c 80 s 8 are each amended to
4 read as follows:

5 There is created a revolving fund to be known as the data
6 processing revolving fund in the custody of the state treasurer. The
7 revolving fund shall be used for the acquisition of equipment,
8 software, supplies, and services and the payment of salaries, wages,
9 and other costs incidental to the acquisition, development, operation,
10 and administration of information services, telecommunications,
11 systems, software, supplies and equipment, including the payment of
12 principal and interest on bonds issued for capital projects, by the
13 department, Washington State University's computer services center, the
14 department of personnel's personnel information systems division, the
15 office of financial management's financial systems management group,
16 and other users as jointly determined by the department and the office
17 of financial management. The revolving fund is subject to the
18 allotment procedure provided under chapter 43.88 RCW. Disbursements
19 from the revolving fund for the services component of the department
20 are not subject to appropriation. Disbursements for the strategic
21 planning and policy component of the department are subject to
22 appropriation. All disbursements from the fund are subject to the
23 allotment procedures provided under chapter 43.88 RCW. The department
24 shall establish and implement a billing structure to assure all
25 agencies pay an equitable share of the costs.

26 During the 2009-2011 fiscal biennium, the legislature may transfer
27 from the data processing revolving account to the state general fund
28 such amounts as reflect the excess fund balance associated with the
29 information technology pool.

30 As used in this section, the word "supplies" shall not be
31 interpreted to delegate or abrogate the division of purchasing's
32 responsibilities and authority to purchase supplies as described in RCW
33 43.19.190 and 43.19.200.

34 **Sec. 932.** RCW 43.155.050 and 2009 c 564 s 940 are each amended to
35 read as follows:

36 (1) The public works assistance account is hereby established in

1 the state treasury. Money may be placed in the public works assistance
2 account from the proceeds of bonds when authorized by the legislature
3 or from any other lawful source. Money in the public works assistance
4 account shall be used to make loans and to give financial guarantees to
5 local governments for public works projects. Moneys in the account may
6 also be appropriated to provide for state match requirements under
7 federal law for projects and activities conducted and financed by the
8 board under the drinking water assistance account. Not more than
9 fifteen percent of the biennial capital budget appropriation to the
10 public works board from this account may be expended or obligated for
11 preconstruction loans, emergency loans, or loans for capital facility
12 planning under this chapter; of this amount, not more than ten percent
13 of the biennial capital budget appropriation may be expended for
14 emergency loans and not more than one percent of the biennial capital
15 budget appropriation may be expended for capital facility planning
16 loans. During the 2009-2011 fiscal biennium, the legislature may
17 transfer from the public works assistance account to the general fund
18 and the city-county assistance account such amounts as reflect the
19 excess fund balance of the account.

20 (2) The job development fund is hereby established in the state
21 treasury. Moneys in the job development fund may be spent only after
22 appropriation. During the 2009-2011 fiscal biennium, the legislature
23 may transfer from the job development fund to the general fund such
24 amounts as reflect the excess fund balance of the fund.

25 NEW SECTION. Sec. 933. A new section is added to chapter 43.215
26 RCW to read as follows:

27 (1)(a) The home visiting services account is created in the custody
28 of the state treasurer. Revenues to the account shall consist of
29 appropriations by the legislature and all other sources deposited in
30 the account.

31 (b) Expenditures from the account shall be used for state matching
32 funds for the purposes of the program established in this section
33 including administrative expenses. Only the director or the director's
34 designee may authorize expenditures from the account. Authorizations
35 for expenditures may be given only after private funds are committed
36 and available.

1 (c) Expenditures from the account are exempt from the
2 appropriations and allotment provisions of chapter 43.88 RCW. However,
3 amounts used for program administration by the department are subject
4 to the allotment and budgetary controls of chapter 43.88 RCW, and an
5 appropriation is required for these expenditures.

6 (2) The department must expend moneys from the account to provide
7 state matching funds for partnership activities to implement home
8 visiting services and administer the infrastructure necessary to
9 develop, support, and evaluate evidence-based, research-based, and
10 promising home visiting programs.

11 (3) Activities eligible for funding through the account include,
12 but are not limited to:

13 (a) Home visiting services that achieve one or more of the
14 following: (i) Enhancing child development and well-being by
15 alleviating the effects on child development of poverty and other known
16 risk factors; (ii) reducing the incidence of child abuse and neglect;
17 or (iii) promoting school readiness for young children and their
18 families; and

19 (b) Development and maintenance of the infrastructure for home
20 visiting programs, including training, quality improvement, and
21 evaluation.

22 (4) Beginning July 1, 2010, the department shall contract with the
23 nongovernmental private-public partnership designated in RCW 43.215.070
24 to administer programs funded through the home visiting services
25 account. The department shall monitor performance and provide periodic
26 reports on the use outcomes of the home visiting services account.

27 (5) The nongovernmental private-public partnership shall, in the
28 administration of the programs:

29 (a) Fund programs through a competitive bid process; and

30 (b) Convene an advisory committee of early learning and home
31 visiting experts, including one representative from the department, to
32 advise the partnership regarding research and the distribution of funds
33 from the account to eligible programs.

34 (6) To promote continuity for families receiving home visiting
35 services through programs funded on the effective date of this section,
36 those programs funded under chapter 43.121 RCW shall be funded through
37 June 30, 2012, based on availability of funds and the achievement of
38 stated performance goals. This section does not require any program to

1 receive continuous funding beyond June 30, 2012. Organizations that
2 may receive program funding include local health departments;
3 nonprofit, neighborhood-based, community, regional, or statewide
4 organizations; and federally recognized Indian tribes located in the
5 state.

6 **Sec. 934.** RCW 43.320.110 and 2005 c 518 s 932 are each amended to
7 read as follows:

8 There is created a local fund known as the "financial services
9 regulation fund" which shall consist of all moneys received by the
10 divisions of the department of financial institutions, except for the
11 division of securities which shall deposit thirteen percent of all
12 moneys received, except as provided in RCW 43.320.115, and which shall
13 be used for the purchase of supplies and necessary equipment; the
14 payment of salaries, wages, and utilities; the establishment of
15 reserves; and other incidental costs required for the proper regulation
16 of individuals and entities subject to regulation by the department.
17 The state treasurer shall be the custodian of the fund. Disbursements
18 from the fund shall be on authorization of the director of financial
19 institutions or the director's designee. In order to maintain an
20 effective expenditure and revenue control, the fund shall be subject in
21 all respects to chapter 43.88 RCW, but no appropriation is required to
22 permit expenditures and payment of obligations from the fund.

23 During the ((2005-2007)) 2009-2011 fiscal biennium, the legislature
24 may transfer from the financial services regulation fund to the state
25 general fund such amounts as reflect the excess fund balance of the
26 fund.

27 **Sec. 935.** RCW 43.320.165 and 2009 c 386 s 2 are each amended to
28 read as follows:

29 The prevent or reduce owner-occupied foreclosure program account is
30 created in the custody of the state treasurer. All receipts from the
31 appropriation in section 4, chapter 322, Laws of 2008 as well as
32 receipts from private contributions and all other sources that are
33 specifically designated for the prevent or reduce owner-occupied
34 foreclosure program must be deposited into the account. Expenditures
35 from the account may be used solely for the purpose of preventing or
36 reducing owner-occupied foreclosures through the prevent or reduce

1 owner-occupied foreclosure program as described in RCW 43.320.160.
2 Only the director of the department or the director's designee may
3 authorize expenditures from the account. The account is subject to
4 allotment procedures under chapter 43.88 RCW, but an appropriation is
5 not required for expenditures. During the 2009-2011 fiscal biennium,
6 the legislature may transfer from the prevent or reduce owner-occupied
7 foreclosure program account to the financial education public-private
8 partnership account such amounts as reflect the excess fund balance of
9 the account.

10 **Sec. 936.** RCW 46.09.170 and 2009 c 564 s 944 and 2009 c 187 s 2
11 are each reenacted and amended to read as follows:

12 (1) From time to time, but at least once each year, the state
13 treasurer shall refund from the motor vehicle fund one percent of the
14 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
15 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
16 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
17 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;
18 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
19 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
20 vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-
21 three cents per gallon of motor vehicle fuel beginning July 1, 2011,
22 and thereafter, less proper deductions for refunds and costs of
23 collection as provided in RCW 46.68.090.

24 (2) The treasurer shall place these funds in the general fund as
25 follows:

26 (a) Thirty-six percent shall be credited to the ORV and nonhighway
27 vehicle account and administered by the department of natural resources
28 solely for acquisition, planning, development, maintenance, and
29 management of ORV, nonmotorized, and nonhighway road recreation
30 facilities, and information programs and maintenance of nonhighway
31 roads;

32 (b) Three and one-half percent shall be credited to the ORV and
33 nonhighway vehicle account and administered by the department of fish
34 and wildlife solely for the acquisition, planning, development,
35 maintenance, and management of ORV, nonmotorized, and nonhighway road
36 recreation facilities and the maintenance of nonhighway roads;

1 (c) Two percent shall be credited to the ORV and nonhighway vehicle
2 account and administered by the parks and recreation commission solely
3 for the acquisition, planning, development, maintenance, and management
4 of ORV, nonmotorized, and nonhighway road recreation facilities; and

5 (d) Fifty-eight and one-half percent shall be credited to the
6 nonhighway and off-road vehicle activities program account to be
7 administered by the board for planning, acquisition, development,
8 maintenance, and management of ORV, nonmotorized, and nonhighway road
9 recreation facilities and for education, information, and law
10 enforcement programs. The funds under this subsection shall be
11 expended in accordance with the following limitations:

12 (i) Not more than thirty percent may be expended for education,
13 information, and law enforcement programs under this chapter;

14 (ii) Not less than seventy percent may be expended for ORV,
15 nonmotorized, and nonhighway road recreation facilities. Except as
16 provided in (d)(iii) of this subsection, of this amount:

17 (A) Not less than thirty percent, together with the funds the board
18 receives under RCW 46.09.110, may be expended for ORV recreation
19 facilities;

20 (B) Not less than thirty percent may be expended for nonmotorized
21 recreation facilities. Funds expended under this subsection
22 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
23 facilities funds; and

24 (C) Not less than thirty percent may be expended for nonhighway
25 road recreation facilities;

26 (iii) The board may waive the minimum percentage cited in (d)(ii)
27 of this subsection due to insufficient requests for funds or projects
28 that score low in the board's project evaluation. Funds remaining
29 after such a waiver must be allocated in accordance with board policy.

30 (3) On a yearly basis an agency may not, except as provided in RCW
31 46.09.110, expend more than ten percent of the funds it receives under
32 this chapter for general administration expenses incurred in carrying
33 out this chapter.

34 (4) During the 2009-2011 fiscal biennium, the legislature may
35 appropriate such amounts as reflect the excess fund balance in the NOVA
36 account to the department of natural resources to install consistent
37 off-road vehicle signage at department-managed recreation sites, and to
38 implement the recreation opportunities on department-managed lands in

1 the Reiter block and Ahtanum state forest, and to the state parks and
2 recreation commission. The legislature finds that the appropriation of
3 funds from the NOVA account during the 2009-2011 fiscal biennium for
4 maintenance and operation of state parks ((and)) or to improve
5 accessibility for boaters and off-road vehicle users at state parks
6 will benefit boaters and off-road vehicle users and others who use
7 nonhighway __ and __ nonmotorized __ recreational __ facilities. ((This
8 ~~appropriation is~~)) The appropriations under this subsection are not
9 required to follow the specific distribution specified in subsection
10 (2) of this section.

11 **Sec. 937.** RCW 48.02.190 and 2009 c 161 s 1 are each amended to
12 read as follows:

13 (1) As used in this section:

14 (a) "Organization" means every insurer, as defined in RCW
15 48.01.050, having a certificate of authority to do business in this
16 state, every health care service contractor, as defined in RCW
17 48.44.010, every health maintenance organization, as defined in RCW
18 48.46.020, or self-funded multiple employer welfare arrangement, as
19 defined in RCW 48.125.010, registered to do business in this state.
20 "Class one" organizations shall consist of all insurers as defined in
21 RCW 48.01.050. "Class two" organizations shall consist of all
22 organizations registered under provisions of chapters 48.44 and 48.46
23 RCW. "Class three" organizations shall consist of self-funded multiple
24 employer welfare arrangements as defined in RCW 48.125.010.

25 (b)(i) "Receipts" means (A) net direct premiums consisting of
26 direct gross premiums, as defined in RCW 48.18.170, paid for insurance
27 written or renewed upon risks or property resident, situated, or to be
28 performed in this state, less return premiums and premiums on policies
29 not taken, dividends paid or credited to policyholders on direct
30 business, and premiums received from policies or contracts issued in
31 connection with qualified plans as defined in RCW 48.14.021, and (B)
32 prepayments to health care service contractors, as defined in RCW
33 48.44.010, health maintenance organizations, as defined in RCW
34 48.46.020, or participant contributions to self-funded multiple
35 employer welfare arrangements, as defined in RCW 48.125.010, less
36 experience rating credits, dividends, prepayments returned to
37 subscribers, and payments for contracts not taken.

1 (ii) Participant contributions, under chapter 48.125 RCW, used to
2 determine the receipts in this state under this section shall be
3 determined in the same manner as premiums taxable in this state are
4 determined under RCW 48.14.090.

5 (c) "Regulatory surcharge" means the fees imposed by this section.

6 (2) The annual cost of operating the office of insurance
7 commissioner shall be determined by legislative appropriation. A pro
8 rata share of the cost shall be charged to all organizations as a
9 regulatory surcharge. Each class of organization shall contribute a
10 sufficient amount to the insurance commissioner's regulatory account to
11 pay the reasonable costs, including overhead, of regulating that class
12 of organization.

13 (3) The regulatory surcharge shall be calculated separately for
14 each class of organization. The regulatory surcharge collected from
15 each organization shall be that portion of the cost of operating the
16 insurance commissioner's office, for that class of organization, for
17 the ensuing fiscal year that is represented by the organization's
18 portion of the receipts collected or received by all organizations
19 within that class on business in this state during the previous
20 calendar year. However, the regulatory surcharge must not exceed one-
21 eighth of one percent of receipts and the minimum regulatory surcharge
22 shall be one thousand dollars.

23 (4) The commissioner shall annually, on or before June 1st,
24 calculate and bill each organization for the amount of the regulatory
25 surcharge. The regulatory surcharge shall be due and payable no later
26 than June 15th of each year. However, if the necessary financial
27 records are not available or if the amount of the legislative
28 appropriation is not determined in time to carry out such calculations
29 and bill such regulatory surcharge within the time specified, the
30 commissioner may use the regulatory surcharge factors for the prior
31 year as the basis for the regulatory surcharge and, if necessary, the
32 commissioner may impose supplemental fees to fully and properly charge
33 the organizations. Any organization failing to pay the regulatory
34 surcharges by June 30th shall pay the same penalties as the penalties
35 for failure to pay taxes when due under RCW 48.14.060. The regulatory
36 surcharge required by this section is in addition to all other taxes
37 and fees now imposed or that may be subsequently imposed.

1 (5) All moneys collected shall be deposited in the insurance
2 commissioner's regulatory account in the state treasury which is hereby
3 created.

4 (6) Unexpended funds in the insurance commissioner's regulatory
5 account at the close of a fiscal year shall be carried forward in the
6 insurance commissioner's regulatory account to the succeeding fiscal
7 year and shall be used to reduce future regulatory surcharges.

8 (7)(a) Each insurer may annually collect regulatory surcharges
9 remitted in preceding years by means of a policyholder surcharge on
10 premiums charged for all kinds of insurance. The recoupment shall be
11 at a uniform rate reasonably calculated to collect the regulatory
12 surcharge remitted by the insurer.

13 (b) If an insurer fails to collect the entire amount of the
14 recoupment in the first year under this section, it may repeat the
15 recoupment procedure provided for in this subsection (7) in succeeding
16 years until the regulatory surcharge is fully collected or a de minimis
17 amount remains uncollected. Any such de minimis amount may be
18 collected as provided in (d) of this subsection.

19 (c) The amount and nature of any recoupment shall be separately
20 stated on either a billing or policy declaration sent to an insured.
21 The amount of the recoupment must not be considered a premium for any
22 purpose, including the premium tax or agents' commissions.

23 (d) An insurer may elect not to collect the regulatory surcharge
24 from its insured. In such a case, the insurer may recoup the
25 regulatory surcharge through its rates, if the following requirements
26 are met:

27 (i) The insurer remits the amount of surcharge not collected by
28 election under this subsection; and

29 (ii) The surcharge is not considered a premium for any purpose,
30 including the premium tax or agents' commission.

31 (8) During the 2009-2011 fiscal biennium, the legislature may
32 transfer from the insurance commissioner's regulatory account to the
33 state general fund such amounts as reflect the excess fund balance in
34 the account.

35 **Sec. 938.** RCW 67.40.040 and 2008 c 329 s 917 and 2008 c 328 s 6011
36 are each reenacted and amended to read as follows:

37 (1) The proceeds from the sale of the bonds authorized in RCW

1 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and
2 67.40.130, and all other moneys received by the state convention and
3 trade center from any public or private source which are intended to
4 fund the acquisition, design, construction, expansion, exterior cleanup
5 and repair of the Eagles building, conversion of various retail and
6 other space to meeting rooms, purchase of the land and building known
7 as the McKay Parcel, development of low-income housing, or renovation
8 of the center, and those expenditures authorized under RCW 67.40.170
9 shall be deposited in the state convention and trade center account
10 hereby created in the state treasury and in such subaccounts as are
11 deemed appropriate by the directors of the corporation.

12 (2) Moneys in the account, including unanticipated revenues under
13 RCW 43.79.270, shall be used exclusively for the following purposes in
14 the following priority:

15 (a) For reimbursement of the state general fund under RCW
16 67.40.060;

17 (b) After appropriation by statute:

18 (i) For payment of expenses incurred in the issuance and sale of
19 the bonds issued under RCW 67.40.030;

20 (ii) For expenditures authorized in RCW 67.40.170, and during the
21 ~~((2007-2009))~~ 2009-2011 fiscal biennium, ~~((the legislature may transfer~~
22 ~~from the state convention and trade center account to the Washington~~
23 ~~housing trust account such amounts as reflect the excess fund balance~~
24 ~~in the account; and during the 2007-2009 biennium,))~~ the legislature
25 may transfer from the state convention and trade center account to the
26 general fund such amounts as reflect the excess fund balance in the
27 account;

28 (iii) For acquisition, design, and construction of the state
29 convention and trade center;

30 (iv) For debt service for the acquisition, design, and construction
31 and retrofit of the museum of history and industry museum property or
32 other future expansions of the convention center as approved by the
33 legislature; and

34 (v) For reimbursement of any expenditures from the state general
35 fund in support of the state convention and trade center; and

36 (c) For transfer to the state convention and trade center
37 operations account.

1 (3) The corporation shall identify with specificity those
2 facilities of the state convention and trade center that are to be
3 financed with proceeds of general obligation bonds, the interest on
4 which is intended to be excluded from gross income for federal income
5 tax purposes. The corporation shall not permit the extent or manner of
6 private business use of those bond-financed facilities to be
7 inconsistent with treatment of such bonds as governmental bonds under
8 applicable provisions of the Internal Revenue Code of 1986, as amended.

9 (4) In order to ensure consistent treatment of bonds authorized
10 under RCW 67.40.030 with applicable provisions of the Internal Revenue
11 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment
12 earnings on bond proceeds deposited in the state convention and trade
13 center account in the state treasury shall be retained in the account,
14 and shall be expended by the corporation for the purposes authorized
15 under chapter 386, Laws of 1995 and in a manner consistent with
16 applicable provisions of the Internal Revenue Code of 1986, as amended.

17 (5) Subject to the conditions in subsection (6) of this section,
18 starting in fiscal year 2008, and except for the 2009-2011 fiscal
19 biennium in which no transfers shall be made, the state treasurer shall
20 transfer:

21 (a) The sum of four million dollars, or as much as may be available
22 pursuant to conditions set forth in this section, from the state
23 convention and trade center account to the tourism enterprise account,
24 with the maximum transfer being four million dollars per fiscal year;
25 and

26 (b) The sum of five hundred thousand dollars, or as much as may be
27 available pursuant to conditions set forth in this section, from the
28 state convention and trade center account to the tourism development
29 and promotion account, with the maximum transfer being five hundred
30 thousand dollars per fiscal year.

31 (6)(a) Funds required for debt service payments and reserves for
32 bonds issued under RCW 67.40.030; for debt service authorized under RCW
33 67.40.170; and for the issuance and sale of financial instruments
34 associated with the acquisition, design, construction, and retrofit of
35 the museum of history and industry museum property or for other future
36 expansions of the center, as approved by the legislature, shall be
37 maintained within the state convention and trade center account.

1 (b) Except for during the 2009-2011 fiscal biennium, during which
2 no reserve shall be retained, no less than six million one hundred
3 fifty thousand dollars per year shall be retained in the state
4 convention and trade center account for funding capital maintenance as
5 required by the center's long-term capital plan, facility enhancements,
6 unanticipated replacements, and operating reserves for the convention
7 center operation. This amount shall be escalated annually as follows:

8 (i) Four percent for annual inflation for capital maintenance,
9 repairs, and replacement;

10 (ii) An additional two percent for enhancement to the facility; and

11 (iii) An additional three percent for growth in expenditure due to
12 aging of the facility and the need to maintain an operating reserve.

13 (c) Sufficient funds shall be reserved within the state convention
14 and trade center account to fund operating appropriations for the
15 annual operation of the convention center.

16 **Sec. 939.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to
17 read as follows:

18 There shall be a fund, known as the "liquor revolving fund", which
19 shall consist of all license fees, permit fees, penalties, forfeitures,
20 and all other moneys, income, or revenue received by the board. The
21 state treasurer shall be custodian of the fund. All moneys received by
22 the board or any employee thereof, except for change funds and an
23 amount of petty cash as fixed by the board within the authority of law
24 shall be deposited each day in a depository approved by the state
25 treasurer and transferred to the state treasurer to be credited to the
26 liquor revolving fund. During the 2009-2011 fiscal biennium, the
27 legislature may transfer funds from the liquor revolving (~~account~~
28 ~~{fund}~~) fund to the state general fund and may direct an additional
29 amount of liquor profits to be distributed to local governments.
30 Neither the transfer of funds nor the additional distribution of liquor
31 profits to local governments during the 2009-2011 fiscal biennium may
32 reduce the excess fund distributions that otherwise would occur under
33 RCW 66.08.190. Licensee sales are exempt from any increases to the
34 price of liquor made by the board during the 2009-2011 fiscal biennium
35 for the purpose of implementing any transfers to the state general fund
36 or additional distribution of liquor profits. This exemption includes
37 price increases implemented for such purposes during the 2009-2011

1 fiscal biennium prior to the effective date of this section but applies
2 only to sales made on or after July 1, 2010. Disbursements from the
3 revolving fund shall be on authorization of the board or a duly
4 authorized representative thereof. In order to maintain an effective
5 expenditure and revenue control the liquor revolving fund shall be
6 subject in all respects to chapter 43.88 RCW but no appropriation shall
7 be required to permit expenditures and payment of obligations from such
8 fund.

9 **Sec. 940.** RCW 67.70.044 and 2009 c 576 s 1 are each amended to
10 read as follows:

11 (1) Pursuant to RCW 67.70.040(1)(a), the commission may enter into
12 the multistate agreement establishing a shared game lottery known as
13 "The Big Game," that was entered into by party state lotteries in
14 August 1996 and subsequently amended and a shared game lottery known as
15 "Powerball."

16 (2) The shared game lottery account is created as a separate
17 account outside the state treasury. The account is managed,
18 maintained, and controlled by the commission and consists of all
19 revenues received from the sale of shared game lottery tickets or
20 shares, and all other moneys credited or transferred to it from any
21 other fund or source under law. The account is allotted according to
22 chapter 43.88 RCW. During the 2009-2011 fiscal biennium, the
23 legislature may transfer from the shared game lottery account to the
24 education legacy trust account such amounts as reflect the excess fund
25 balance of the account.

26 **Sec. 941.** RCW 67.70.230 and 1985 c 375 s 4 are each amended to
27 read as follows:

28 There is hereby created and established a separate account, to be
29 known as the state lottery account. Such account shall be managed,
30 maintained, and controlled by the commission and shall consist of all
31 revenues received from the sale of lottery tickets or shares, and all
32 other moneys credited or transferred thereto from any other fund or
33 source pursuant to law. The account shall be a separate account
34 outside the state treasury. No appropriation is required to permit
35 expenditures and payment of obligations from the account. During the

1 2009-2011 fiscal biennium, the legislature may transfer from the state
2 lottery account to the education legacy trust account such amounts as
3 reflect the excess fund balance of the account.

4 **Sec. 942.** RCW 70.105D.070 and 2009 c 564 s 951 are each amended to
5 read as follows:

6 (1) The state toxics control account and the local toxics control
7 account are hereby created in the state treasury.

8 (2) The following moneys shall be deposited into the state toxics
9 control account: (a) Those revenues which are raised by the tax
10 imposed under RCW 82.21.030 and which are attributable to that portion
11 of the rate equal to thirty-three one-hundredths of one percent; (b)
12 the costs of remedial actions recovered under this chapter or chapter
13 70.105A RCW; (c) penalties collected or recovered under this chapter;
14 and (d) any other money appropriated or transferred to the account by
15 the legislature. Moneys in the account may be used only to carry out
16 the purposes of this chapter, including but not limited to the
17 following activities:

18 (i) The state's responsibility for hazardous waste planning,
19 management, regulation, enforcement, technical assistance, and public
20 education required under chapter 70.105 RCW;

21 (ii) The state's responsibility for solid waste planning,
22 management, regulation, enforcement, technical assistance, and public
23 education required under chapter 70.95 RCW;

24 (iii) The hazardous waste cleanup program required under this
25 chapter;

26 (iv) State matching funds required under the federal cleanup law;

27 (v) Financial assistance for local programs in accordance with
28 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

29 (vi) State government programs for the safe reduction, recycling,
30 or disposal of hazardous wastes from households, small businesses, and
31 agriculture;

32 (vii) Hazardous materials emergency response training;

33 (viii) Water and environmental health protection and monitoring
34 programs;

35 (ix) Programs authorized under chapter 70.146 RCW;

36 (x) A public participation program, including regional citizen
37 advisory committees;

1 (xi) Public funding to assist potentially liable persons to pay for
2 the costs of remedial action in compliance with cleanup standards under
3 RCW 70.105D.030(2)(e) but only when the amount and terms of such
4 funding are established under a settlement agreement under RCW
5 70.105D.040(4) and when the director has found that the funding will
6 achieve both (A) a substantially more expeditious or enhanced cleanup
7 than would otherwise occur, and (B) the prevention or mitigation of
8 unfair economic hardship;

9 (xii) Development and demonstration of alternative management
10 technologies designed to carry out the hazardous waste management
11 priorities of RCW 70.105.150; ~~((and))~~

12 (xiii) During the 2009-2011 fiscal biennium, shoreline update
13 technical assistance; and

14 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
15 permitting teams.

16 (3) The following moneys shall be deposited into the local toxics
17 control account: Those revenues which are raised by the tax imposed
18 under RCW 82.21.030 and which are attributable to that portion of the
19 rate equal to thirty-seven one-hundredths of one percent.

20 (a) Moneys deposited in the local toxics control account shall be
21 used by the department for grants or loans to local governments for the
22 following purposes in descending order of priority:

23 (i) Remedial actions;

24 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

25 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
26 70.95I, and 70.105 RCW;

27 (iv) Funds for a program to assist in the assessment and cleanup of
28 sites of methamphetamine production, but not to be used for the initial
29 containment of such sites, consistent with the responsibilities and
30 intent of RCW 69.50.511; and

31 (v) Cleanup and disposal of hazardous substances from abandoned or
32 derelict vessels, defined for the purposes of this section as vessels
33 that have little or no value and either have no identified owner or
34 have an identified owner lacking financial resources to clean up and
35 dispose of the vessel, that pose a threat to human health or the
36 environment.

37 (b) Funds for plans and programs shall be allocated consistent with
38 the priorities and matching requirements established in chapters

1 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
2 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
3 project that is referenced in the action agenda developed by the Puget
4 Sound partnership under RCW 90.71.310, shall, except as conditioned by
5 RCW 70.105D.120, receive priority for any available funding for any
6 grant or funding programs or sources that use a competitive bidding
7 process. During the 2007-2009 fiscal biennium, moneys in the account
8 may also be used for grants to local governments to retrofit public
9 sector diesel equipment and for storm water planning and implementation
10 activities.

11 (c) To expedite cleanups throughout the state, the department shall
12 partner with local communities and liable parties for cleanups. The
13 department is authorized to use the following additional strategies in
14 order to ensure a healthful environment for future generations:

15 (i) The director may alter grant-matching requirements to create
16 incentives for local governments to expedite cleanups when one of the
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,
21 public recreational, or habitat restoration opportunities that would
22 not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and
24 redevelopment of vacant, orphaned, or abandoned property under RCW
25 70.105D.040(5) that would not otherwise occur;

26 (ii) The use of outside contracts to conduct necessary studies;

27 (iii) The purchase of remedial action cost-cap insurance, when
28 necessary to expedite multiparty clean-up efforts.

29 (d) To facilitate and expedite cleanups using funds from the local
30 toxics control account, during the 2009-2011 fiscal biennium the
31 director may establish grant-funded accounts to hold and disperse local
32 toxics control account funds and funds from local governments to be
33 used for remedial actions.

34 (4) Except for unanticipated receipts under RCW 43.79.260 through
35 43.79.282, moneys in the state and local toxics control accounts may be
36 spent only after appropriation by statute.

37 (5) Except during the 2009-2011 fiscal biennium, one percent of the
38 moneys deposited into the state and local toxics control accounts shall

1 be allocated only for public participation grants to persons who may be
2 adversely affected by a release or threatened release of a hazardous
3 substance and to not-for-profit public interest organizations. The
4 primary purpose of these grants is to facilitate the participation by
5 persons and organizations in the investigation and remedying of
6 releases or threatened releases of hazardous substances and to
7 implement the state's solid and hazardous waste management priorities.
8 No grant may exceed sixty thousand dollars. Grants may be renewed
9 annually. Moneys appropriated for public participation from either
10 account which are not expended at the close of any biennium shall
11 revert to the state toxics control account.

12 (6) No moneys deposited into either the state or local toxics
13 control account may be used for solid waste incinerator feasibility
14 studies, construction, maintenance, or operation, or, after January 1,
15 2010, for projects designed to address the restoration of Puget Sound,
16 funded in a competitive grant process, that are in conflict with the
17 action agenda developed by the Puget Sound partnership under RCW
18 90.71.310.

19 (7) The department shall adopt rules for grant or loan issuance and
20 performance.

21 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the
22 legislature may transfer from the local toxics control account to
23 either the state general fund or the oil spill prevention account, or
24 both such amounts as reflect excess fund balance in the account.

25 (9) During the 2009-2011 fiscal biennium, the local toxics control
26 account may also be used for a standby rescue tug at Neah Bay, local
27 government shoreline update grants, private and public sector diesel
28 equipment retrofit, and oil spill prevention, preparedness, and
29 response activities.

30 (10) During the 2009-2011 fiscal biennium, the legislature may
31 transfer from the state toxics control account to the state general
32 fund such amounts as reflect the excess fund balance in the account.

33 **Sec. 943.** RCW 74.31.030 and 2007 c 356 s 4 are each amended to
34 read as follows:

35 (1) By July 30, 2007, the department shall designate a staff person
36 who shall be responsible for the following:

1 (a) Coordinating policies, programs, and services for individuals
2 with traumatic brain injuries; and

3 (b) Providing staff support to the council created in RCW
4 74.31.020.

5 (2) The department shall provide data and information to the
6 council established under RCW 74.31.020 that is requested by the
7 council and is in the possession or control of the department.

8 (3) By December 1, 2007, the department shall provide a preliminary
9 report to the legislature and the governor, and shall provide a final
10 report by December 1, 2008, containing recommendations for a
11 comprehensive statewide plan to address the needs of individuals with
12 traumatic brain injuries, including the use of public-private
13 partnerships and a public awareness campaign. The comprehensive plan
14 should be created in collaboration with the council and should consider
15 the following:

16 (a) Building provider capacity and provider training;

17 (b) Improving the coordination of services;

18 (c) The feasibility of establishing agreements with private sector
19 agencies to develop services for individuals with traumatic brain
20 injuries; and

21 (d) Other areas the council deems appropriate.

22 (4) By December 1, 2007, the department shall:

23 (a) Provide information and referral services to individuals with
24 traumatic brain injuries until the statewide referral and information
25 network is developed. The referral services may be funded from the
26 traumatic brain injury account established under RCW 74.31.060; ~~((and))~~

27 (b) Encourage and facilitate the following:

28 (i) Collaboration among state agencies that provide services to
29 individuals with traumatic brain injuries;

30 (ii) Collaboration among organizations and entities that provide
31 services to individuals with traumatic brain injuries; and

32 (iii) Community participation in program implementation; and

33 (c) During the 2009-2011 fiscal biennium:

34 (i) Secure funding to develop housing specifically for traumatic
35 brain injured individuals by leveraging federal and private fund
36 sources;

37 (ii) Expand support group services with an emphasis on persons

1 returning from active military duty with traumatic brain injury and
2 their families;

3 (iii) Establish training and outreach to first responders and
4 emergency medical staff for care related to traumatic brain injury; and

5 (iv) Improve awareness of health insurance coverage options and
6 promote best practices in private health insurance coverage.

7 (5) By December 1, 2007, and by December 1st each year thereafter,
8 the department shall issue a report to the governor and the legislature
9 containing the following:

10 (a) A summary of action taken by the department to meet the needs
11 of individuals with traumatic brain injuries; and

12 (b) Recommendations for improvements in services to address the
13 needs of individuals with traumatic brain injuries.

14 **Sec. 944.** RCW 74.31.060 and 2007 c 356 s 7 are each amended to
15 read as follows:

16 The traumatic brain injury account is created in the state
17 treasury. Two dollars of the fee imposed under RCW 46.63.110(7)(c)
18 must be deposited into the account. Moneys in the account may be spent
19 only after appropriation, and may be used only to provide a public
20 awareness campaign and services relating to traumatic brain injury
21 under RCW 74.31.040 and 74.31.050, for information and referral
22 services, and for costs of required department staff who are providing
23 support for the council and information and referral services under RCW
24 74.31.020 and 74.31.030. During the 2009-2011 fiscal biennium, money
25 in the account may also be spent on long-term care services and the
26 services authorized in RCW 74.31.030(4)(c). The secretary of the
27 department of social and health services has the authority to
28 administer the funds.

29 **Sec. 945.** RCW 70.93.180 and 2009 c 564 s 950 are each amended to
30 read as follows:

31 (1) There is hereby created an account within the state treasury to
32 be known as the "waste reduction, recycling, and litter control
33 account". Moneys in the account may be spent only after appropriation.
34 Expenditures from the waste reduction, recycling, and litter control
35 account shall be used as follows:

1 (a) Fifty percent to the department of ecology, for use by the
2 departments of ecology, natural resources, revenue, transportation, and
3 corrections, and the parks and recreation commission, for use in litter
4 collection programs, to be distributed under RCW 70.93.220. The amount
5 to the department of ecology shall also be used for a central
6 coordination function for litter control efforts statewide, for the
7 biennial litter survey under RCW 70.93.200(8), and for statewide public
8 awareness programs under RCW 70.93.200(7). The amount to the
9 department shall also be used to defray the costs of administering the
10 funding, coordination, and oversight of local government programs for
11 waste reduction, litter control, and recycling, so that local
12 governments can apply one hundred percent of their funding to achieving
13 program goals. The amount to the department of revenue shall be used
14 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

15 (b) Twenty percent to the department for local government funding
16 programs for waste reduction, litter control, and recycling activities
17 by cities and counties under RCW 70.93.250, to be administered by the
18 department of ecology; and

19 (c) Thirty percent to the department of ecology for waste reduction
20 and recycling efforts.

21 (2) All taxes imposed in RCW 82.19.010 and fines and bail
22 forfeitures collected or received pursuant to this chapter shall be
23 deposited in the waste reduction, recycling, and litter control account
24 and used for the programs under subsection (1) of this section.

25 (3) Not less than five percent and no more than ten percent of the
26 amount appropriated into the waste reduction, recycling, and litter
27 control account every biennium shall be reserved for capital needs,
28 including the purchase of vehicles for transporting crews and for
29 collecting litter and solid waste. Capital funds shall be distributed
30 among state agencies and local governments according to the same
31 criteria provided in RCW 70.93.220 for the remainder of the funds, so
32 that the most effective waste reduction, litter control, and recycling
33 programs receive the most funding. The intent of this subsection is to
34 provide funds for the purchase of equipment that will enable the
35 department to account for the greatest return on investment in terms of
36 reaching a zero litter goal.

37 (4) During the 2009-2011 fiscal biennium, the legislature may
38 transfer from the waste reduction, recycling, and litter control

1 account to the state general fund such amounts as reflect the excess
2 fund balance of the account. (~~For purposes of subsection (1) of this~~
3 ~~section, this transfer shall be treated as an expenditure for litter~~
4 ~~collection.~~) Additionally, during the 2009-2011 fiscal biennium,
5 subsection (1)(a), (b), and (c) of this section is suspended.

6 NEW SECTION. Sec. 946. A new section is added to chapter 43.79
7 RCW to read as follows:

8 The legislature recognizes that efforts to restructure state
9 operations to achieve greater efficiency are often impeded by the lack
10 of a financing tool to support the transition and phase-down of state
11 operations. The state efficiency and restructuring account is
12 established in the state treasury to finance efforts to restructure
13 state operations and achieve budget savings. Moneys from the account
14 may be expended only after appropriation. As directed by the
15 legislature, the state treasurer must transfer funds from specified
16 accounts into the state efficiency and restructuring account to support
17 appropriations from that account. The state treasurer must maintain a
18 record of such transfers and must calculate repayment obligations to
19 any accounts providing surplus funds for a term of eight years at an
20 interest rate that is five tenths of a percent higher than the interest
21 rate that the account would have earned without the transfer. The
22 state treasurer must submit a report of all such repayment obligations
23 to the office of financial management by September 1st of each year.
24 The governor's budget request under RCW 43.88.060 must include
25 sufficient funds to meet the biennial repayment obligation.

26 **Sec. 947.** RCW 70.105D.130 and 2008 c 106 s 1 are each amended to
27 read as follows:

28 (1) The cleanup settlement account is created in the state
29 treasury. The account is not intended to replace the state toxics
30 control account established under RCW 70.105D.070. All receipts from
31 the sources identified in subsection (2) of this section must be
32 deposited into the account. Moneys in the account may be spent only
33 after appropriation. Expenditures from the account may be used only as
34 identified in subsection (4) of this section.

35 (2) The following receipts must be deposited into the cleanup
36 settlement account:

1 (a) Receipts from settlements or court orders that direct payment
2 to the account and resolve a person's liability or potential liability
3 under this chapter for either or both of the following:

4 (i) Conducting future remedial action at a specific facility, if it
5 is not feasible to require the person to conduct the remedial action
6 based on the person's financial insolvency, limited ability to pay, or
7 insignificant contribution under RCW 70.105D.040(4)(a);

8 (ii) Assessing or addressing the injury to natural resources caused
9 by the release of a hazardous substance from a specific facility; and

10 (b) Receipts from investment of the moneys in the account.

11 (3) If a settlement or court order does not direct payment of
12 receipts described in subsection (2)(a) of this section into the
13 cleanup settlement account, then the receipts from any payment to the
14 state must be deposited into the state toxics control account.

15 (4) Expenditures from the cleanup settlement account may only be
16 used to conduct remedial actions at the specific facility or to assess
17 or address the injury to natural resources caused by the release of
18 hazardous substances from that facility for which the moneys were
19 deposited in the account. Conducting remedial actions or assessing or
20 addressing injury to natural resources includes direct expenditures and
21 indirect expenditures such as department oversight costs. During the
22 2009-2011 fiscal biennium, the legislature may transfer excess fund
23 balances in the account into the state efficiency and restructuring
24 account. Transfers of excess fund balances made under this section
25 shall be made only to the extent amounts transferred with required
26 repayments do not impair the ten-year spending plan administered by the
27 department of ecology for environmental remedial actions dedicated for
28 any designated clean-up site associated with the Everett smelter and
29 Tacoma smelter, including plumes, or former Asarco mine sites. The
30 cleanup settlement account must be repaid with interest under
31 provisions of the state efficiency and restructuring account.

32 (5) The department shall track moneys received, interest earned,
33 and moneys expended separately for each facility.

34 (6) After the department determines that all remedial actions at a
35 specific facility, and all actions assessing or addressing injury to
36 natural resources caused by the release of hazardous substances from
37 that facility, are completed, including payment of all related costs,

1 any moneys remaining for the specific facility must be transferred to
2 the state toxics control account established under RCW 70.105D.070.

3 (7) The department shall provide the office of financial management
4 and the fiscal committees of the legislature with a report by October
5 31st of each year regarding the activity within the cleanup settlement
6 account during the previous fiscal year.

7 **Sec. 948.** RCW 70.146.100 and 2007 c 233 s 1 are each amended to
8 read as follows:

9 (1) The water quality capital account is created in the state
10 treasury. Moneys in the water quality capital account may be spent
11 only after appropriation.

12 (2) Expenditures from the water quality capital account may only be
13 used: (a) To make grants or loans to public bodies, including grants
14 to public bodies as cost-sharing moneys in any case where federal,
15 local, or other moneys are made available on a cost-sharing basis, for
16 the capital component of water pollution control facilities and
17 activities; (b) for purposes of assisting a public body to obtain an
18 ownership interest in water pollution control facilities; or (c) to
19 defray any part of the capital component of the payments made by a
20 public body to a service provider under a service agreement entered
21 into under RCW 70.150.060. During the 2009-2011 fiscal biennium, the
22 legislature may transfer from the water quality capital account to the
23 state general fund such amounts as reflect the excess fund balance of
24 the account.

25 **Sec. 949.** RCW 79.105.150 and 2009 c 564 s 959 are each amended to
26 read as follows:

27 (1) After deduction for management costs as provided in RCW
28 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
29 received by the state from the sale or lease of state-owned aquatic
30 lands and from the sale of valuable material from state-owned aquatic
31 lands shall be deposited in the aquatic lands enhancement account which
32 is hereby created in the state treasury. After appropriation, these
33 funds shall be used solely for aquatic lands enhancement projects; for
34 the purchase, improvement, or protection of aquatic lands for public
35 purposes; for providing and improving access to the lands; and for
36 volunteer cooperative fish and game projects. During the 2009-2011

1 fiscal biennium, the aquatic lands enhancement account may also be used
2 for scientific research as part of the adaptive management process.

3 During the 2009-11 fiscal biennium, the legislature may transfer from
4 the aquatic lands enhancement account to the state general fund such
5 amounts as reflect excess fund balance of the account.

6 (2) In providing grants for aquatic lands enhancement projects, the
7 recreation and conservation funding board shall:

8 (a) Require grant recipients to incorporate the environmental
9 benefits of the project into their grant applications;

10 (b) Utilize the statement of environmental benefits, consideration,
11 except as provided in RCW 79.105.610, of whether the applicant is a
12 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
13 referenced in the action agenda developed by the Puget Sound
14 partnership under RCW 90.71.310, and except as otherwise provided in
15 RCW 79.105.630, and effective one calendar year following the
16 development and statewide availability of model evergreen community
17 management plans and ordinances under RCW 35.105.050, whether the
18 applicant is an entity that has been recognized, and what gradation of
19 recognition was received, in the evergreen community recognition
20 program created in RCW 35.105.030 in its prioritization and selection
21 process; and

22 (c) Develop appropriate outcome-focused performance measures to be
23 used both for management and performance assessment of the grants.

24 (3) To the extent possible, the department should coordinate its
25 performance measure system with other natural resource-related agencies
26 as defined in RCW 43.41.270.

27 (4) The department shall consult with affected interest groups in
28 implementing this section.

29 (5) After January 1, 2010, any project designed to address the
30 restoration of Puget Sound may be funded under this chapter only if the
31 project is not in conflict with the action agenda developed by the
32 Puget Sound partnership under RCW 90.71.310.

33 **Sec. 950.** RCW 80.01.080 and 2006 c 3 s 2 are each amended to read
34 as follows:

35 There is created in the state treasury a public service revolving
36 fund. Regulatory fees payable by all types of public service companies
37 shall be deposited to the credit of the public service revolving fund.

1 Except for expenses payable out of the pipeline safety account, all
2 expense of operation of the Washington utilities and transportation
3 commission shall be payable out of the public service revolving fund.

4 During the ~~((2003-2005))~~ 2009-2011 fiscal biennium, the legislature
5 may transfer from the public service revolving fund to the state
6 general fund such amounts as reflect the excess fund balance of the
7 fund.

8 ~~((Due to the extraordinarily high winter energy costs, during the
9 2005-2007 fiscal biennium, no more than seven million six hundred
10 thousand dollars, as appropriated in section 1, chapter 3, Laws of
11 2006, shall be payable out of the public service revolving fund to
12 provide energy assistance to customers in accordance with the
13 low income energy assistance program.))~~

14 **Sec. 951.** RCW 80.36.430 and 2009 c 564 s 960 are each amended to
15 read as follows:

16 (1) The Washington telephone assistance program shall be funded by
17 a telephone assistance excise tax on all switched access lines and by
18 funds from any federal government or other programs for this purpose.
19 Switched access lines are defined in RCW 82.14B.020. The telephone
20 assistance excise tax shall be applied equally to all residential and
21 business access lines not to exceed fourteen cents per month. The
22 department shall submit an approved annual budget for the Washington
23 telephone assistance program to the department of revenue no later than
24 March 1st prior to the beginning of each fiscal year. The department
25 of revenue shall then determine the amount of telephone assistance
26 excise tax to be placed on each switched access line and shall inform
27 local exchange companies and the utilities and transportation
28 commission of this amount no later than May 1st. The department of
29 revenue shall determine the amount of telephone assistance excise tax
30 by dividing the total of the program budget funded by the telephone
31 assistance excise tax, as submitted by the department, by the total
32 number of switched access lines in the prior calendar year. The
33 telephone assistance excise tax shall be separately identified on each
34 ratepayer's bill as the "Washington telephone assistance program." All
35 money collected from the telephone assistance excise tax shall be
36 transferred to a telephone assistance fund administered by the
37 department.

1 (2) Local exchange companies shall bill the fund for their expenses
2 incurred in offering the telephone assistance program, including
3 administrative and program expenses. The department shall disburse the
4 money to the local exchange companies. The department is exempted from
5 having to conclude a contract with local exchange companies in order to
6 effect this reimbursement. The department shall recover its
7 administrative costs from the fund. The department may specify by rule
8 the range and extent of administrative and program expenses that will
9 be reimbursed to local exchange companies.

10 (3) The department shall enter into an agreement with the
11 department of (~~community, trade, and economic development~~) commerce
12 for an amount not to exceed eight percent of the prior fiscal year's
13 total revenue for the administrative and program expenses of providing
14 community service voice mail services. The community service voice
15 mail service may include toll-free lines in community action agencies
16 through which recipients can access their community service voice
17 mailboxes at no charge.

18 (4) During the 2009-2011 biennium, the department shall enter into
19 an agreement with the (~~military department~~) WIN 211 organization for
20 (~~one million dollars to~~) operational support (~~the WIN 211 program~~).

21 **Sec. 952.** RCW 82.14.495 and 2009 c 4 s 907 are each amended to
22 read as follows:

23 (1) The streamlined sales and use tax mitigation account is created
24 in the state treasury. The state treasurer shall transfer into the
25 account from the general fund amounts as directed in RCW 82.14.500.
26 Expenditures from the account may be used only for the purpose of
27 mitigating the negative fiscal impacts to local taxing jurisdictions as
28 a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to
29 RCW 82.14.020. During the (~~2007-2009~~) 2009-2011 fiscal biennium, the
30 legislature may transfer from the streamlined sales and use tax
31 mitigation account to the state general fund such amounts as reflect
32 the excess fund balance of the account.

33 (2) Beginning July 1, 2008, the state treasurer, as directed by the
34 department, shall distribute the funds in the streamlined sales and use
35 tax mitigation account to local taxing jurisdictions in accordance with
36 RCW 82.14.500.

1 (3) The definitions in this subsection apply throughout this
2 section and RCW 82.14.390 and 82.14.500.

3 (a) "Agreement" means the same as in RCW 82.32.020.

4 (b) "Local taxing jurisdiction" means counties, cities,
5 transportation authorities under RCW 82.14.045, public facilities
6 districts under chapters 36.100 and 35.57 RCW, public transportation
7 benefit areas under RCW 82.14.440, and regional transit authorities
8 under chapter 81.112 RCW, that impose a sales and use tax.

9 (c) "Loss" or "losses" means the local sales and use tax revenue
10 reduction to a local taxing jurisdiction resulting from the sourcing
11 provisions in RCW 82.14.490 and the chapter 6, Laws of 2007 amendments
12 to RCW 82.14.020.

13 (d) "Net loss" or "net losses" means a loss offset by any voluntary
14 compliance revenue.

15 (e) "Voluntary compliance revenue" means the local sales tax
16 revenue gain to each local taxing jurisdiction reported to the
17 department from persons registering through the central registration
18 system authorized under the agreement.

19 (f) "Working day" has the same meaning as in RCW 82.45.180.

20 **Sec. 953.** RCW 83.100.230 and 2008 c 329 s 924 are each amended to
21 read as follows:

22 The education legacy trust account is created in the state
23 treasury. Money in the account may be spent only after appropriation.
24 Expenditures from the account may be used only for deposit into the
25 student achievement fund and for expanding access to higher education
26 through funding for new enrollments and financial aid, and other
27 educational improvement efforts. During the ((2007-2009)) 2009-2011
28 fiscal biennium, moneys in the account may also be transferred into the
29 state general fund.

30 NEW SECTION. **Sec. 954.** A new section is added to 2009 c 564
31 (uncodified) to read as follows:

32 **JOINT LEGISLATIVE SELECT COMMITTEE ON HEALTH REFORM**
33 **IMPLEMENTATION.**

34 The joint legislative select committee on health reform implementation
35 is established. The joint legislative select committee on health
36 reform implementation shall be co-chaired by the chairs of the health

1 committees of the senate and the house of representatives, and
2 leadership of the two largest caucuses in the senate and the house of
3 representatives shall each appoint two additional legislators to serve
4 on the committee. The co-chairs may direct the formation of advisory
5 committees, if desired, to focus on specific topic areas, such as
6 insurance regulation, access and expansion of public and private
7 programs, and workforce issues, and may invite interested stakeholders
8 and additional experts to advise the committee. All participation in
9 the joint select committee and any advisory committees is without
10 compensation.

11 This section expires June 30, 2011.

12 NEW SECTION. **Sec. 955.** If any provision of this act or its
13 application to any person or circumstance is held invalid, the
14 remainder of the act or the application of the provision to other
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 956.** Section 910 of this act expires June 30,
17 2011.

18 NEW SECTION. **Sec. 957.** Section 935 of this act expires June 30,
19 2011.

20 NEW SECTION. **Sec. 958.** This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 immediately.

(End of bill)

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ADOPTED 4/12/10

1 On page 1, line 1 of the title, after "matters;" strike the
2 remainder of the title and insert "amending RCW 13.06.050, 15.76.115,
3 28A.300.380, 28B.50.837, 28B.76.565, 28B.76.610, 28B.102.080,
4 38.52.105, 43.17.390, 43.20A.725, 43.43.839, 43.43.944, 43.60A.185,
5 43.131.406, 43.70.110, 43.78.030, 43.79.460, 43.79.465, 43.89.010,
6 43.105.080, 43.155.050, 43.320.110, 43.320.165, 48.02.190, 66.08.170,
7 67.70.044, 67.70.230, 70.105D.070, 74.31.030, 74.31.060, 70.93.180,
8 70.105D.130, 70.146.100, 79.105.150, 80.01.080, 80.36.430, 82.14.495,
9 and 83.100.230; amending 2010 c 3 ss 101, 102, 103, 104, 105, 106, 107,
10 108, 109, 110, 111, 112, 113, 201, 202, 203, 204, 205, 206, 207, 208,
11 209, 210, 211, 212, 213, 214, 215, 216, 301, 302, 303, 304, 305, 306,
12 401, 402, 501, and 601; amending 2009 c 564 ss 101, 102, 103, 104, 105,
13 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 121,
14 122, 123, 124, 131, 132, 133, 134, 135, 136, 138, 140, 141, 142, 144,
15 145, 147, 148, 150, 149, 152, 155, 201, 213, 214, 216, 217, 218, 220,
16 224, 226, 221, 301, 304, 305, 308, 310, 501, 502, 503, 504, 505, 506,
17 507, 508, 509, 510, 511, 512, 514, 515, 516, 518, 601, 602, 605, 606,
18 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620,
19 621, 701, 703, 704, 708, 710, 717, 720, 801, 805, and 914; amending
20 2010 c 247 ss 502, 407, and 503; reenacting and amending RCW
21 28B.105.110, 46.09.170, and 67.40.040; adding a new section to chapter
22 43.215 RCW; adding a new section to chapter 43.79 RCW; adding new
23 sections to 2009 c 564 (uncodified); making appropriations; providing
24 expiration dates; and declaring an emergency."

--- END ---